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THIRD SESSION OF THE COUNCIL OF FOREIGN MINISTERS, NEW YORK CITY, NOVEMBER 4-DECEMBER 12¹

The writing of the peace treaties with Bulgaria, Finland, Hungary, Italy, and Rumania has been concluded by the Council of Foreign Ministers. The article presented below summarizes the Council's discussions in New York City, after previous sessions in London and in Paris, and reviews the plan for peace settlements with Germany and Austria which the Council of Foreign Ministers will consider at its next meeting in Moscow, to begin on March 10, 1947.

I. COMPLETION OF TEXTS OF TREATIES OF PEACE WITH ITALY, RUMANIA, BULGARIA, HUNGARY, AND FINLAND

The third session of the Council of Foreign Ministers which was held in New York City at the Waldorf-Astoria Hotel from November 4 to December 12, 1946, finally completed the texts of the treaties of peace with Italy, Rumania, Bulgaria, Hungary, and Finland. These texts have now been published and will be presented on February 10, 1947, for signature by the representatives of the states which participated in the Paris Peace Conference and which were at war with the enemy states in question. The United States was not at war with Finland and consequently will not be a party to the peace treaty with Finland. The treaties will enter into force immediately upon ratification by the Allied states signatories to the respective armistices and by France in the case of Italy.

Although it had been hoped that time would permit the Council of Foreign Ministers to draw up final texts of these treaties in Paris following the close of the Paris Peace Conference, this task proved to be impossible in view of the forthcoming meeting of the General Assembly of the United Nations in New York, which certain of the Foreign Ministers desired to attend in person. Secretary of State Byrnes therefore invited the Council of Foreign Ministers to meet in New York concur-

rently with the General Assembly in order to avoid any further delay in the completion of these five peace treaties. The purpose of this session of the Council of Foreign Ministers, which was the third devoted to the drafting of these peace treaties, was to consider the recommendations of the Paris Peace Conference and to endeavor to agree upon the final texts.

Secretary Byrnes had since the April-May meeting of the Council of Foreign Ministers urged the calling of the Paris Peace Conference, which met from July 29 until October 15, believing that all members of the United Nations who had participated actively in military operations against the European members of the Axis were entitled to be given a full opportunity to make known their views and to have those views taken into consideration. Furthermore, the members of the Council of Foreign Ministers had solemnly agreed to "give the fullest consideration" to and "not reject arbitrarily" the recommendations from this Conference. Secretary Byrnes had also pointed out on a number of occasions that the recommendations of this Conference should be of great assistance to the Council of Foreign Ministers in finding solutions to the issues on which they had been unable to agree.

¹ This article will be printed as Department of State publication 2747, Conference Series 93.

The Paris Peace Conference, through long discussion both in the commissions and in plenary sessions, had given the fullest possible consideration to every aspect of the peace treaties and had adopted 59 recommendations by two-thirds majority and 48 recommendations by a simple majority. For the most part, these recommendations related to questions which the Council of Foreign Ministers, despite protracted negotiation and discussion, had left in disagreement or had not considered. Thus the third session of the Council of Foreign Ministers in considering those issues which had previously divided the Council and Conference had the advantage of formal recommendations on these and other issues by the 21 nations at the Paris Conference. These recommendations and especially those backed by two-thirds of the members of the Conference were a new factor in the work of the Council of Foreign Ministers and played a large if not determinant part in settling the still unsolved issues in these treaties. In effect the final texts of these treaties reveal that on the majority of issues final agreement was based upon the recommendations returned to the Council of Foreign Ministers by the Paris Conference.

This agreement was particularly evident in regard to the draft statute of the Free Territory of Trieste. Although the Council of Foreign Ministers last July had reached an agreement on the internationalization under the United Nations of this territory and on its proposed boundaries, no agreement had been reached by the special Commission on Trieste appointed by the Council of Foreign Ministers on the principles which were to govern the temporary regime and on the permanent statute for the area. Secretary Byrnes had made it clear that the United States, having agreed—contrary to its original position—to the internationalization of this area, was determined that the proposed Free Territory should be genuinely international in character and not a hotbed of friction and dispute between Italy and Yugoslavia. In view of the tension existing in the area and the rivalry between these two countries, the United States believed it to be essential that the representatives of the Security Council and the United Nations who were to assume responsibility for the integrity and security of this area must have adequate powers to discharge these responsibilities. As a neutral figure—representa-

tive of the United Nations as a whole—the proposed Governor for the Free Territory of Trieste would have no interest except to safeguard the security of the area and to promote the well-being and preserve the rights and freedoms of the inhabitants. The representatives of Great Britain and France had held similar views. The Soviet representative, however, had supported the claims of Yugoslavia to a special and privileged position in this territory and had opposed the granting to the Governor and to the United Nations what the United States regarded as absolutely essential powers for the maintenance of the international character and stability of the area. By a two-thirds vote the Paris Conference recommended the adoption of a French compromise proposal setting forth the principles for the organization of the Free Territory of Trieste, which were in basic accord with the views of the British and American Governments.

At the New York session of the Council of Foreign Ministers the principles for the permanent statute and provisional regime of the Free Territory of Trieste as recommended by the Conference were incorporated in a final draft after protracted negotiation. The statute as finally agreed upon has been incorporated as an annex to the peace treaty for Italy. If backed by an honest intention on the part of the states directly concerned to implement this statute as written, it provides the framework for the creation and maintenance of a genuine international regime for this troublesome and disputed area.

After agreement on the statute for the Free Territory of Trieste had been reached, the only other questions of importance still in dispute related to reparations, other economic clauses, and the question of freedom of navigation on the Danube River.

The reparation problem proved to be one of the most difficult. Marked difference in attitude existed between countries which had been devastated by one or another of these ex-enemy states and which therefore felt entitled to the maximum amounts possible, and between countries like the United States which felt that the most important thing was to build for a future in which the ex-enemy states would have some prospect of economic recovery. In the cases of Rumania, Hungary, and Finland, the reparation terms as set forth in their armistices provided for \$300,000,000

of commodities at 1938 prices. Although the United States argued at great length that these three countries were not identical in the degree of their aggression nor equal in their capacity to pay, this Government was unable to obtain any change in the established arrangements which had already been implemented by bilateral agreements. In the case of Bulgaria, where the reparation terms were not fixed in the armistice, the situation was reversed, the Soviet Union arguing for an extremely low reparation obligation. Actually, the figure of \$70,000,000 which was agreed on is not far out of line when compared with the obligation of Rumania, but it does throw into sharp contrast the burden of reparations placed on Hungary and Finland.

The problem of reparation is much simpler in the case of those four countries which were all net exporters than in the case of Italy. In order to find a practical means for payment by Italy, the formula previously agreed upon for Italian reparation to the Union of Soviet Socialist Republics—namely, that the reparation-receiving country must supply the required raw material—was utilized in connection with the other recipients. There were two particularly difficult problems; that of the relative treatment of Greece and Yugoslavia and that of whether Albania should be included at all. The first problem was resolved by giving Greece and Yugoslavia each the same total amount of \$150,000,000 from Bulgaria and Italy. The second problem was resolved by giving a smaller payment of \$5,000,000 to Albania.

It is also important to note that the commercial-policy provisions which this Government has urged from the very start are now incorporated in the treaties. These provisions establish, for a period of 18 months, an obligation on the part of the ex-enemy state not to discriminate among nations in matters pertaining to commerce and industry. This requirement is limited to 18 months in order to permit the concluding of commercial treaties. Furthermore, that period of time should determine whether international trade throughout the world will follow the liberal principles outlined in the American proposals for the expansion of world trade or whether various countries themselves will revert to discriminatory and restrictive trade regulation. A similar provision with respect to aviation rights,

including the first two freedoms of the air, is included in each treaty.

The question of including a clause expressing acceptance of the principle of free navigation on that great European waterway in the peace treaties with the ex-enemy states bordering on the Danube had been the subject of long dispute and acrimonious debate at previous sessions of the Council of Foreign Ministers, particularly at the Paris Peace Conference. In this case again the Conference had voted by a two-thirds majority for the inclusion in the appropriate treaties of some statement of the important principle of free navigation. It is gratifying to report that at the New York meeting the Soviet objections on this score were overcome, and the three Balkan treaties include the following statement of principle: "Navigation on the Danube shall be free and open for the nationals, vessels of commerce and goods of all States on the footing of equality with regard to port and navigation charges and conditions for merchant shipping." In order to reduce this general principle to specific operation, the Council of Foreign Ministers has agreed to call a conference within six months in which the United States, Great Britain, the Soviet Union, and France would participate, as well as the countries in the Danubian basin, for the purpose of establishing an international regime with respect to the Danube. The United States has very little direct interest in the Danube as such. The great concern of the United States has been to do all that it could to remove artificial barriers and discriminatory practices both from national trade regulations and specifically from this vital waterway in southeastern Europe.

Other economic articles which dealt with such problems as restitution, compensation for damages, ex-enemy property in the United Nations, and the reinstatement of debt obligations posed certain difficulties of one kind or another; however, it is believed that the interests of the United States have been safeguarded so far as possible under the circumstances.

After more than 15 months since the opening session of the Council of Foreign Ministers set up by the Potsdam Conference to draft (in the first instance) treaties of peace with Italy and the former satellite states, the final texts of these treaties have now been completed. It cannot be said that the treaties themselves are entirely satis-

factory, and, as Secretary Byrnes said in discussing the drafts presented to the Peace Conference, they are "not the best which human wit could devise", but they do represent the best which could be reached by unanimous agreement among the members of the Council of Foreign Ministers. When they enter into effect, despite their imperfections, they will be the first real step forward toward the return to normal peacetime conditions for these countries. They will bring to an end armistice regimes giving to the occupying power almost unlimited control over the national life of these countries, and they will, in some cases, mean the complete withdrawal of and, in others, major reduction in the occupying forces which, since the end of the war, have imposed such heavy burdens on their national economies. Finally, the treaties will permit Italy, Rumania, Bulgaria, Hungary, and Finland to reassume their responsibilities as sovereign states in international affairs and will afford them an opportunity to qualify for membership in the organization of the United Nations.

II. PRELIMINARY PLANS FOR PEACE SETTLEMENTS WITH GERMANY AND AUSTRIA

In addition to completing final texts of the five peace treaties the Council of Foreign Ministers as had been agreed in Paris devoted several meetings of its New York session to the German and Austrian questions. As early as May 1946 Secretary Byrnes had endeavored without success to obtain agreement for the setting up of special deputies to start the preliminary work for the eventual peace settlement with Germany and to prepare a draft settlement with Austria so that without undue delay the Council of Foreign Ministers could take up these two questions vital to the entire future of Europe. The Soviet Government in May and again in July had been unwilling to agree to these proposals and had maintained that further study was required before deputies could be appointed to begin actual work concerning either a future German settlement or an Austrian treaty. At the New York session, however, these objections were overcome and the following are the main points in the agenda adopted for the next meeting of the Council of Foreign Ministers to be held in Moscow on March 10, 1947:

1. Consideration of the report from the Allied Control Council;
2. Consideration of the form and scope of the provisional political organization of Germany;
3. Preparation of a peace treaty with Germany, taking into account the report to be received from the deputies and also including consideration of boundary questions, questions of the Ruhr and Rhineland, and others;
4. United States draft disarmament and demilitarization treaty and other measures for political, economic, and military control of Germany;
5. Consideration of the report already submitted by the Committee of Coal Experts; and
6. Consideration of the report of the deputies on the Austrian treaty.

The deputies appointed for discussion of German questions, who are now meeting in London, were instructed to: (a) hear the views of governments of neighboring Allied states and of other Allied states who participated with their armed forces in the common struggle against Germany and who wish to present their views on the German problem; (b) consider questions of procedure with regard to the preparation of a peace treaty for Germany; and (c) submit a report on the above matters to the Council of Foreign Ministers by February 25, 1947.

The deputies appointed for Austria were instructed to: (a) proceed with the preparation of a treaty recognizing the independence of Austria, taking into consideration the proposals already submitted by the Governments of the United States and the United Kingdom, as well as any further proposals which may be submitted by any member of the Council of Foreign Ministers; (b) hear the views of the governments of neighboring Allied states and of other Allied states who participated with their armed forces in the common struggle against Germany and who wish to present their views on the Austrian problem; and (c) submit proposals on the above matters to the Council of Foreign Ministers by February 25, 1947.

Thus, in addition to the completion of the five peace treaties which was its primary charge, the Council of Foreign Ministers at its third session in New York made the first real progress in the direction of the consideration of the even more important problems regarding the future of Germany and Austria.

PRELIMINARY PROPOSALS FOR AN INTERNATIONAL TRADE ORGANIZATION

The two articles presented below on employment and economic activity and on industrial development are the first in a series of articles on the work of the Preparatory Committee of the Economic and Social Council for the establishment of an international trade organization of the United Nations. The Preparatory Committee held its first meeting in London from October 15 to November 26, 1946. In successive issues of the BULLETIN will appear articles on commercial policy, restrictive business practices, intergovernmental commodity arrangements, and administration and organization.

Employment and Economic Activity¹

An Article

The initial decision to hold a conference dealing with both trade and employment reflects the close connection between the two subjects. It is clear that a two-way relationship is involved. No matter how satisfactory employment levels may be in the various countries, higher standards of living will not be obtained if barriers are allowed to block the flow of international trade. Conversely, in the face of serious unemployment in one or more of the major industrial and trading countries, a reduced level of trade barriers might fail to secure high standards of living or even a large volume of trade. For example, the fact that tariffs are low will not by itself prevent a decline in income and demand which communicates itself from country to country through international markets.

The United States draft charter² accordingly contained a chapter on employment provisions which in five articles recognized the relation of employment to the purposes of the International Trade Organization; pledged each Member to take action designed to achieve and maintain full employment within its own jurisdiction through measures appropriate to its political and economic institutions; stated that employment measures should not be of such a character as to create un-

employment in other countries or to conflict with trade objectives; provided for consultation and exchange of information on matters relating to employment; and assigned the relevant functions to the Economic and Social Council.

At the London meeting, Committee I was assigned the topic of employment and economic activity and adopted the following agenda: "International agreement relating to the achievement and maintenance of high and steadily rising levels of effective demand, employment, and economic activity. (1) General undertakings of Members. (2) Recourse in case a Member is damaged by failure of another Member to fulfil undertakings. (3) Consultation and exchange of information. (4) Assignment of functions."³ The final report on its work included a series of draft articles considerably broader in scope than the original United

¹ The work of Committee I: Employment and Economic Activity.

² *Suggested Charter for an International Trade Organization of the United Nations*, published in September 1946 (Department of State publication 2598, Commercial Policy Series 93).

³ Its agenda also included the following item: "International agreement relating to industrial development. (To be considered jointly with Committee II.)"

States draft but consistent in form and spirit with that document, together with a draft resolution for the attention of the Economic and Social Council.

Undertakings With Respect to Levels of Employment and Effective Demand

The central problem confronting Committee I involved the drafting of provisions that would contain an expression of policy as to the maintenance of employment levels and levels of effective demand; that would adequately recognize the possible need of Members to adopt protective measures if their economies should be threatened as a result of a serious decline in employment and effective demand beyond their borders; and that would at the same time support rather than conflict with the commercial-policy provisions of the charter.

The ends sought were agreed to be a high level of employment—already recognized in article 55 of the United Nations Charter to be a main purpose of the United Nations—and high and stable levels of effective demand for goods and services. The second of these conditions tends to create and also to follow from the first, but adequate demand may in certain circumstances nevertheless fail to be transmitted internationally by an economy in which employment levels are satisfactory.

It was recognized that Members could not *guarantee* high and stable levels of employment and demand, but it was agreed that they could and should undertake to “take action designed to achieve and maintain” these conditions within their respective jurisdictions. Each country would, of course, be expected to use measures “appropriate to their political and economic institutions”. To this was added the proviso that the measures adopted should be “compatible with the other purposes of the Organization”; i. e., in promoting employment, Members should not use methods that would be in violation of their commitments looking to the reduction of trade barriers and to the elimination of trade discriminations.

Particular attention was directed to the fact that a country might be maintaining employment, by measures in harmony with accepted principles of trade, and might nevertheless unwittingly contribute to or be the agent of balance-of-payments difficulties and consequent deflationary pressure experienced by other countries. This situation could occur if it were to sell considerably more

than it bought and invested abroad, making up the balance by accumulating monetary reserves. Conversely, it was recognized that responsibility for the maladjustment might also rest with the countries experiencing the balance-of-payments difficulties; such difficulties might, for example, be caused by a flight of capital from the currencies of those countries. In the light of these various considerations, it was the Committee's belief that each country should agree “that in case of a fundamental disequilibrium in their balance of payments [terminology borrowed from the Articles of Agreement of the International Monetary Fund] involving other countries in persistent balance of payments difficulties which handicap them in maintaining employment, they will make their full contribution to action designed to correct the maladjustment”.

Discussion turned next to the recourse that Members might have if economic difficulties should be created for them as a result of inability on the part of other Members to maintain high and stable levels of employment and high levels of effective demand as intended. One view was that the chapter dealing with employment should grant any Member so affected a broad release from other obligations under the charter. It was noted, however, that other parts of the charter already carried provisions designed to meet such contingencies. For example, a Member experiencing balance-of-payments difficulties—the form in which deflationary pressure originating abroad would ordinarily become apparent — could protect itself by imposing restrictions, in accordance with rules and procedures set forth in the chapter on commercial policy, on the quantity of goods imported. It was therefore concluded that the problem was one of assuring that the relevant exceptions or releases from obligations provided elsewhere in the charter and the machinery established to bring those provisions into effect should be adequate to cover deflationary situations created by a failure of another Member to maintain its employment and its effective demand. This problem was regarded as the responsibility of other committees. Committee I, however, expressly stipulated that the Organization “shall have regard, in the exercise of its functions as defined in the other Articles of this Charter, to the need of Members to take action within the provisions of the Charter to safeguard their economies” in such situations.

Other Issues and Undertakings

Committee I dealt with five other significant issues and it reached conclusions on:⁴ (1) development of resources and productivity;⁵ (2) labor standards; (3) consultation and information; (4) international (as contrasted with Member government) action relating to employment; and (5) the form that the employment provisions should take—i.e., their precise relation to the charter of the International Trade Organization.

Without questioning the importance of maintaining high and stable levels of employment in the major industrial and trading countries, spokesmen for a number of relatively underdeveloped countries pointed out that the prosperity of their economies would depend less on their ability to keep everyone at work than on their ability to improve the quality and productiveness of the work done. The acquisition of a modern technology was thus regarded as their greatest need. The Committee recognized the validity of this point in two ways: by making clear throughout its report and recommendations that the objective is "productive" as well as quantitatively high-level employment, or, in other words, that "under-employment" should be avoided as well as "unemployment"; and by adding a new draft article in which, "recognizing that all countries have a common interest in the productive use of the world's resources", each Member would "agree to take action designed progressively to develop economic resources and to raise standards of productivity within their jurisdiction"—this action, again, to take the form of "measures compatible with the other purposes of the Organization".

The issue of labor standards was raised by a Member who pointed out that wage rates and other labor conditions not only affect the quality or suitability of employment and have an important bearing by way of the distribution of purchasing power upon the ability to maintain employment but also must be taken into account in connection with trade because of the possibility of unfair competition in export markets based on exploitation of labor. In the discussion of this question, full recognition was given to the general jurisdiction of the International Labor Organization in the labor-standards field. At the same time, a large majority favored adding to the employment provisions in the charter of the International Trade Organization an article in which,

"recognizing that all countries have a common interest in the maintenance of fair labor standards"—these standards being of necessity "related to national productivity"—each Member "agrees to take whatever action may be appropriate and feasible to eliminate substandard conditions of labor in production for export and generally throughout their jurisdiction". Two delegations reserved their votes when Committee I adopted this article.

With respect to the functions relating to employment to be performed by international bodies, provision was made for agreement by Members to participate in arrangements undertaken or sponsored by the Economic and Social Council, with mention also of cooperation on the part of the appropriate intergovernmental specialized agencies. It was decided that the information exchanged on domestic employment problems, trends, and policies should at least include "as far as possible information relating to national income, demand, and the balance of payments". Arrangements should furthermore be made to consult "with a view to concerted action on the part of governments and inter-governmental organizations in the field of employment policies".

It was agreed that the maintenance of effective demand and employment must depend primarily on measures that, although they may involve cooperation or parallel action on the part of various countries, are nevertheless of a domestic rather than an international character. The Committee felt, however, that the possibilities of international action in support of the same objectives should not be overlooked. A separate Draft Resolution on International Action Relating to Employment was therefore prepared, requesting the Economic and Social Council "to undertake at an early date, in consultation with the appropriate inter-governmental specialized agencies, special studies of the form which such international action might take". It was suggested that the Council, in addition to investigating the effects on employment and production of an expansion of trade through a lowering of trade barriers and progres-

⁴ With reservations entered in the case of labor standards, as noted below.

⁵ This subject was later discussed at length by the Joint Committee on Industrial Development, which drafted a new chapter for the charter. Cf. footnote 2 above.

sive elimination of discrimination, should include in its consideration measures relating to timing of capital expenditures and credit conditions, to stabilization of the incomes of primary producers, and to the support in periods of world deflationary pressure of the balance-of-payments position of countries pursuing domestic policies for full employment.

The final issue dealt with by Committee I concerned the form in which the agreement on employment should ultimately appear. The fact that employment functions were to be centered in the Economic and Social Council, and that consequently no separate commission to handle such functions was contemplated for the International

Trade Organization, raised a question of whether the employment provisions should not be embodied in some instrument partly or wholly separate from the Organization's charter. On the other hand, the important connections between employment and trade, and particularly the difficulty that countries might have in assuming international commitments in the one field unless such commitments were associated with obligations binding all signatories in the other field as well, made it appear desirable to link these agreements together as closely as possible. It was therefore decided that it would be most appropriate to include the employment undertakings as a chapter in the charter of the International Trade Organization.

Industrial Development⁶

An Article

Article 1 of the United States draft charter⁷ stated that one of the general purposes of the International Trade Organization would be "To encourage and assist the industrial and general economic development of Member countries, particularly of those still in the early stages of industrial development." In article 50, the Organization would be given the function of collecting, analyzing, and publishing information, and of consulting with and making recommendations and reports to members on this subject.

At the opening of the London meeting of the Preparatory Committee, a number of countries emphasized their interest in industrialization and other aspects of economic development, indicated that in their view the provisions in the draft charter were inadequate to meet the needs of underdeveloped countries, and asked that the provisional agenda be modified to allow full discussion of this subject. Because of the close connection with both employment and commercial policy, the mat-

ter of industrialization was referred to Committees I and II for their joint consideration. These committees in turn established a Joint Committee on Industrial Development, which at the conclusion of its deliberations submitted to the Conference a report containing draft articles for a new chapter of the charter and a draft resolution to be brought to the attention of the Economic and Social Council. The Joint Committee also transmitted a formal request to Committee II to take due account of certain problems relating to industrialization in connection with two of the articles in the commercial-policy chapter.

Recognition of the Importance of Economic Development

The first question considered by the Joint Committee was the manner in which appropriate recognition might be given to industrial and general economic development as one of the basic objectives of the International Trade Organization. The importance of the subject warranted expanding the charter to include a chapter on economic development. The provision, it was agreed, should be broad enough to apply to all countries (for example, countries already industrialized but engaged in programs of post-war reconstruction, as well as underdeveloped countries) and to all aspects of development (for example, moderniza-

⁶This concerns the work of the Joint Committee on Industrial Development which was established by the General Commercial Policy Committee and the Committee on Employment and Economic Activity.

⁷*Suggested Charter for an International Trade Organization of the United Nations*, published in September 1946 (Department of State publication 2598, Commercial Policy Series 93).

tion of agriculture, as well as the introduction of manufacturing industries). The first article of this new draft chapter states (art. 10) that "Members recognize that the industrial and general economic development of all countries and in particular of those countries whose resources are as yet relatively undeveloped will improve opportunities for employment, enhance the productivity of labor, increase the demand for goods and services, contribute to economic stability, expand international trade, and raise levels of real income, thus strengthening the ties of international understanding and accord."

Positive Aids to Economic Development

A point on which great stress was laid in the Joint Committee's discussions was that progressive economic development cannot take place without adequate supplies of capital funds, materials, equipment, advanced technology, trained workers, and managerial skill. It was agreed, moreover, that unless capital funds are available it may often be impossible to obtain the various other facilities in question.

Since it was recognized that the relatively undeveloped countries will usually need to look abroad for assistance in obtaining those means or facilities required for their development, the problem as viewed by delegations from those countries was one of securing agreement that such facilities would be obtainable from other countries on as favorable terms as possible. At the same time, it was clear that the interests of the other countries had likewise to be considered. The Committee which accordingly agreed upon a text recognized the reciprocal obligations of countries providing and countries receiving assistance. It was stipulated that (1) the Members should "impose no unreasonable impediments that would prevent other Members from obtaining access to facilities required for their economic development", and that they should also cooperate with the appropriate international specialized agencies of which they were members in the provision of such facilities; and (2) that Members should not only, in their treatment of foreign suppliers of such facilities, conform to the provisions of their relevant international obligations, but should also in general "take

no unreasonable action injurious to the interests of such other Members, business entities or persons". Finally, it was provided that the International Trade Organization should receive complaints of failure to adhere to any of the above obligations, and, "In the event of such complaint . . . may, at its discretion, request the Members concerned to enter into consultation with a view to reaching a mutually satisfactory settlement and lend its good offices to this end."

Government Measures To Assist Development

Another issue of major importance had to do with "legitimate protection", or the manner in which the objective of providing a maximum of encouragement for industrial and general economic development could be carried out along with the program for expanding trade through reduction of trade barriers. Various approaches to this problem were expressed, representing a wide diversity of views.

In the process of accommodating these differing views, it was decided that allowance for exceptional treatment for new or reconstructed industries should be made within the chapter on economic development in preference to having a series of special exceptions written into the various sections of the chapter on commercial policy.³ An article was accordingly drafted providing for (1) the recognition that special governmental assistance, which may take the form of protective measures, may be required to promote the establishment or reconstruction of particular industries; (2) rec-

³ A message was, however, sent to Committee II requesting it to make the following provisions: (1) in art. 18, "so that the Organization and other Members should, when considering the contribution which a Member can make to a reduction in tariffs, take into account the height of the tariff of that Member, and the need, if any, of that Member to use protective measures in order to promote industrial and general economic development"; (2) in art. 20, "to cover the position of a Member who, as a result of its plans for industrial development or reconstruction, anticipates that its accruing international monetary resources will be inadequate to finance the needed imports of goods, for example, capital goods, for the carrying out of such plans unless it imposes regulations restricting the import of certain classes of goods, for example, consumer goods".

ognition "that an unwise use of such protection would impose undue burdens on their own economies and unwarranted restrictions on international trade, and might increase unnecessarily the difficulties of adjustment for the economies of other countries"; and (3) a procedure whereby a Member with a legitimate case for granting special protection to certain industries, in order to assist its economic development, may enlist the support of the International Trade Organization and avoid retaliatory action on the part of other Members.

This procedure was made to depend on the kind of obligation from which release may be sought. In all cases—if a Member proposes to employ any protective measures that would conflict with any of its obligations under or pursuant to the charter—it must first inform the Organization, which in turn shall promptly notify other Members substantially affected, give them an opportunity to present their views, and "then promptly examine the proposal in the light of the provisions of this chapter, the findings presented by the applicant Member, the views presented by Members substantially affected, and such criteria as to productivity and other factors as it may establish, taking into account the stage of economic development or reconstruction of the Member." The next step, however, assuming the Organization might concur in the proposal, would differ according to circumstances. Conceivably, permission might be sought to raise a tariff that had been bound as a result of tariff negotiations with other Members, or to impose some other form of protection that would impair the value to other Members of an agreement negotiated with respect to a tariff, or would otherwise not be permitted under agreements negotiated pursuant to chapter V. In such a case the Organization should, as a pre-condition for granting the release, "sponsor and assist in negotiations between the applicant Member and other Members substantially affected, with a view to obtaining substantial agreement". On the other hand, if the requested release is one that would not impair a negotiated tariff concession or other commitments negotiated pursuant to chapter V, the Organization, after taking the earlier steps, may give final approval at its own discretion. In either type of case, a release when granted is "subject to such limitations as the Organization may impose."

Allocation of Functions

The final item on the agenda of the Joint Committee concerned the part that the International Trade Organization itself should play in carrying out the various functions relating to development. It was recognized that requests for permission to impose special protective measures in the interests of development should be handled by the Organization's Commission on Commercial Policy, since such requests would involve obtaining release from commercial-policy obligations. It was also agreed that Members themselves should "undertake to promote the continuing industrial and general economic development of their respective countries and territories" and in that connection should "co-operate through the Economic and Social Council of the United Nations and the appropriate inter-governmental organizations". With these questions settled, however, an issue arose which the Committee was unable to resolve. This point involved deciding how far the International Trade Organization should go in assisting Members to obtain technical and other assistance in connection with their development programs.

One view was that the Organization should itself undertake certain of the positive functions involved, particularly in helping Members to obtain technical aid in the formulation and execution of plans for development. In support of this position it was urged that the task was essentially administrative in character and hence appropriate to a specialized agency; that its performance by the International Trade Organization would provide a useful means of cooperation with Members; and that the best way to secure a balanced point of view within the Organization would be to provide its personnel with continuous experience with the positive as well as the protective aspects of national development policies. On the other side it was pointed out that there were already several international agencies concerned with various aspects of industrial development, including the newly created Sub-Commission on Economic Development of the Economic and Social Council, the International Bank for Reconstruction and Development, the International Labor Organization, the Food and Agriculture Organization, and the United Nations Educational, Scientific and

(Continued on page 207)

THE UNITED NATIONS

Report to Congress of U.S. Participation in the United Nations¹

THE PRESIDENT'S LETTER OF TRANSMITTAL

To the Congress of the United States:

In accordance with the provisions of the United Nations Participation Act of 1945 I submit herewith my first annual report to the Congress on the activities of the United Nations and the Participation of the United States therein.²

The Charter of the United Nations came into force as a fundamental law for the peoples of the world on October 24, 1945. The General Assembly convened for the first time in London in January 1946. It elected the Secretary-General and brought into being the Security Council, the Economic and Social Council and the International Court of Justice.

In December 1946, at the Second Part of its First Session, in New York, the General Assembly completed its main organizational tasks by establishing the Trusteeship Council. Thus all of the principal organs of the United Nations have now been established. All of them, except the Trusteeship Council, have been working on their appointed tasks during most of the past year.

The policy of the United States, as I told the General Assembly in New York on October 23, 1946, is to "support the United Nations with all the resources that we possess. . . not as a temporary expedient but as a permanent partnership".

That policy—in season and out—in the face of temporary failure as well as in moments of success—has the support of the overwhelming majority of the American people. It must continue to have this support if the United States is to fulfill its appointed role in the United Nations, if the United Nations is to fulfill its purposes and if our land is to be preserved from the disaster of another and far more terrible war.

In the work of the United Nations during the past year the United States has sought constantly to carry out that policy. Our representatives have

spoken for the whole nation. They have been Democrats and Republicans, members of both the executive and legislative branches of our government, men and women from private life.

The work of the United Nations during the past year has been the work of building foundations for the future.

First of all, there have been the structural foundations. The Assembly, the Councils, the Court and the Secretariat have had a vast amount of organizational work to do in order to establish themselves as functioning agencies of the international community. Much of this has been pioneering work. The whole structure of the United Nations is a far more extensive endeavor in international cooperation than the nations have ever before attempted.

The essential parts of this structure include not only the principal organs established by the Charter. They include equally the specialized agencies, such as the Food and Agriculture Organization, the International Labor Organization, the United Nations Educational, Scientific and Cultural Organization, the International Civil Aviation Organization, the International Bank for Reconstruction and Development, the International Monetary Fund, the proposed World Health Organization and International Trade Organization and several others. Each of these specialized agencies operates in a specific field under its own constitution. Each is or will be related to the central structure of the United Nations through the Economic and Social Coun-

¹ For the entire report see Department of State publication 2735 (The United States and the United Nations Reports Series 7).

² On Mar. 19, 1946, I transmitted to the Congress the Report submitted to me by the Secretary of State on the First Part of the First Session of the General Assembly in London. [See Department of State publication 2484.]

cil and the General Assembly. There is scarcely a field of activity having a common interest for the peoples of the world for which continuing instruments of international cooperation have not been developed during the past year.

Perhaps the most immediately significant development of the past year in this direction was the General Assembly's demonstration of its power to influence the policies of nations and to bring about greater understanding among them. The Assembly possesses few definitive powers. It makes recommendations that can be translated into effective law only by the action of the nations concerned. But the Assembly during its meetings in New York expressed a higher sovereignty of the people's will in a manner which promises much for its development as a dominant power for peace and progress in the world.

The building of the structural foundations of the United Nations during the past year has been accompanied by action over a very broad field toward giving life and meaning to the purposes and principles of the Charter.

There has been progress toward building security from war. Step by step we have advanced the first part of the way toward agreement on the essential principles of a truly effective international system of control over the means of destruction that science has placed in the hands of mankind.

The initiative in the control of atomic energy and other major weapons adaptable to mass destruction was taken by the United States. The resolution creating the Atomic Energy Commission was adopted at the first meeting of the General Assembly in London. The United States presented in the Atomic Energy Commission last June its proposals for international control of atomic energy. The Soviet Union opposed these proposals, but the Commission worked throughout the summer and fall to build the bases for agreement.

In October the Soviet Union introduced in the General Assembly proposals on the general regulation and reduction of armaments that seemed at first far removed from the United States position. Nevertheless, seven weeks later the Assembly was able to adopt unanimously a resolution reaffirming all the principles of the Atomic Energy Resolution and reflecting for the first time unanimous agreement on the essential principle of a system of international control and inspection established by

treaty and not subject to any veto in its operations.

Two and a half weeks later, on December 31, the Atomic Energy Commission transmitted its first report to the Security Council. The report had been adopted by the Commission by a vote of 10 to 0, the Soviet Union and Poland abstaining.

Many months of hard work and difficult negotiation in the Security Council and the Atomic Energy Commission lie ahead. Not all the essential principles have yet been agreed upon. The problem of enforcement must still be resolved. All the principles must be given specific and practical application in treaties and conventions unanimously agreed upon.

This is one of the main tasks before the United Nations in the coming year. To succeed, we must at the same time build the other essential foundations of a general system of collective security. The nations can safely lay aside their arms only in so far as their security is protected by other means.

An essential element of collective security will be the ability of the Security Council to fulfill its primary responsibility for the maintenance of international peace and security. In its consideration of international disputes during its first year the Council demonstrated increasing power to ameliorate situations that otherwise might have become dangerous, and to influence the policies of nations in the direction of upholding the purposes and principles of the Charter. This was generally true even when the five permanent members failed to reach the required unanimity for definitive action. The Security Council's application on a continuing basis of the public and peaceful methods of the council chamber to the settlement of disputes between nations is a new development in international relations, the significance of which gives every promise of becoming more apparent in the year ahead.

Important steps have been taken by the United Nations during the past year toward economic reconstruction and toward establishing the necessary basis for an expanding peace-time trade and employment.

A draft Trade Charter establishing principles and practices aimed at increasing the volume of world trade and employment by reducing or eliminating artificial trade barriers and restrictions has been proposed by the United States and is now being developed by a Preparatory Committee of eighteen nations. One of the primary United

Nations' tasks of the year ahead is the adoption of such a Charter and the creation of an International Trade Organization to carry it out.

The General Assembly has unanimously asked the Economic and Social Council to act on recommendations for the reconstruction and integration of the European economy and establishment of an Economic Commission for Europe. This Commission would unite all the interested countries, including the Soviet Union on the East and the United States on the West, in a common program. Steps toward economic reconstruction and development in the Far East will also be undertaken by the Economic and Social Council this year.

Progress has also been made by the Economic and Social Council and the specialized agencies during the past year in many other respects. It is not too much to say that the establishment and maintenance of lasting peace will depend in large part upon the ability of the United Nations to carry through to a successful conclusion the work it has begun toward world economic recovery and cooperation.

The promotion and protection of basic human rights for all peoples is a fundamental purpose of the United Nations. Active support for the wider realization of these rights and freedoms has been and should continue to be a primary objective of United States policy in the United Nations.

During the past year our representatives in the Assembly and the Economic and Social Council took the initiative in writing a charter for the International Refugee Organization under which the right to freedom and another chance for a decent life of a million victims of war and racial, political, or religious oppression would be preserved. I shall recommend to the Congress prompt acceptance of the constitution of the IRO and appropriation of our share of the expenses of its program.

The United States believes that freedom of information must be realized on a far wider basis than exists in the world today if the United Nations is to succeed. We have strongly supported the policy of public debate of all issues in the United Nations because this promotes public knowledge and understanding and gives the peoples of the world a more direct opportunity to influence the results. We have also asked for action to break down the barriers to a wider, freer flow

of information in the world. Preparations are now going forward for a world conference on freedom of information before the end of this year as one step in this direction.

The provisions of the Charter relating to dependent peoples offer to those hundreds of millions who do not yet govern themselves their best hope for attainment of this and other basic human rights and freedoms. The United States representatives took a leading part in the General Assembly in bringing about the establishment of the Trusteeship System in the face of sharp disagreements and other major difficulties that might have caused indefinite delay. The United States will support further steps during the coming year toward strengthening the Trusteeship System.

America has long been a symbol of freedom and democratic progress to peoples less favored than we have been. We must maintain their belief in us by our policies and our acts.

One of the important long-range achievements of the General Assembly's first session was the adoption of resolutions introduced by the United States on the codification and development of international law.

The General Assembly unanimously directed its committee on codification to give first attention to the charter and the decision of the Nuremberg Tribunal, under which aggressive war is a crime against humanity for which individuals as well as states must be punished. The Assembly also agreed that genocide—the deliberate policy of extermination of a race or class or any other human group—was a crime under international law. These developments toward the application of international law to individuals as well as to states are of profound significance to the state. We cannot have lasting peace unless a genuine rule of world law is established and enforced.

The justifiable hope and confidence to which the great progress of the United Nations in the past year has given rise can be betrayed and lost. The difficulties and dangers that lie before us are many and serious. They are strewn across the road that leads to the final peace settlements, to the establishment and maintenance of collective security, to the control of atomic energy and regulation and reduction of other arms, to the attainment of economic recovery and an expanding world economy, and to the wider realization of human rights.

Our policy of supporting the United Nations

"with all the resources that we possess" must be given effective practical application on a genuinely national, bipartisan basis in every activity of the United Nations. This is just as necessary in the economic and social field as it is in the political field. We must pursue without hesitation bipartisan policies of economic cooperation with the rest of the world in such matters as economic reconstruction and development and the expansion of world trade and employment. Because of the interdependence of the economy of nations, it will also

be vital to world recovery as well as to our own prosperity that we maintain at home a stable economy of high employment.

The responsibility of the United States is a particularly heavy one because of the power and influence that our history and our material resources have placed in our hands. No nation has a higher stake in the outcome than our own.

HARRY S. TRUMAN

THE WHITE HOUSE

February 5, 1947

Summary Statement by the Secretary-General of Matters of which the Security Council is Seized and of the Stage Reached in their Consideration¹

Pursuant to Rule 11 of the Provisional Rules of Procedure of the Security Council, I wish to report that as of 24 January 1947 the Security Council is seized of the following matters:

1. The Iranian Question
2. Special Agreements Under Article 43 of the Charter
3. Rules of Procedure of the Security Council
4. Statute and Rules of Procedure of the Military Staff Committee
5. Rules concerning the Admission of New Members
6. Re-examination of applications for Membership
7. The Greek Question
8. The General Regulation and Reduction of Armaments
9. Information on Armed Forces of the United Nations
10. First Report of the Atomic Energy Commission
11. Incidents in the Corfu Channel

The stage reached in the consideration of Items 1 through 7 is set forth in document S/223. Items 9 and 10 have been placed on the Council's Agenda but not discussed. The stage reached in the consideration of Items 8 and 11 is as follows:

8. *The General Regulation and Reduction of Armaments*

By letter dated 28 December 1946 addressed to the Secretary-General (document S/229), the Representative of the USSR submitted a proposal regarding the implementation of the resolution of the General Assembly on the "Principles Governing the General Regulation and Reduction of Armaments" (document S/231). At its eighty-eighth meeting on 31 December 1946 the Council placed the USSR proposal on its agenda, and at the ninetieth meeting on 9 January 1947 it was

agreed to formally accept the Resolution of the General Assembly and proceed to the question of its implementation.

Further discussion took place at the ninety-second and ninety-third meetings on 15 January and the ninety-fifth meeting on 20 January. Draft Resolutions regarding the implementation of the General Assembly Resolution have been submitted by the Representatives of the United States (S/233), France (S/243), Australia (S/249) and Colombia (S/251).

At its ninety-fifth meeting on 20 January the Council adopted by nine votes to two a resolution submitted by the Representative of the United States to defer consideration of items 8, 9, and 10 above until 4 February 1947.

11. *Incidents in the Corfu Channel*

By letter dated 10 January 1947, addressed to the Secretary-General (document S/247) the Representative of the United Kingdom forwarded copies of an exchange of notes between the Governments of the United Kingdom and Albania regarding incidents in the Corfu Channel. He stated that his Government had instructed him to bring this dispute to the early attention of the Security Council under Article 35 of the Charter.

At its ninety-fifth meeting on 20 January the Council passed this question on its Agenda. It was decided to invite Albania to participate without vote in the discussion relating to the dispute and to ask the Albanian Government, if it chose to accept this invitation, to accept for the purposes of the discussion of this case all those obligations which would fall upon a Member of the United Nations.

¹ Security Council document S/257 of Jan. 24, 1947. For statement by Trygve Lie, Secretary-General of the United Nations, as of Jan. 3, 1947, see BULLETIN of Jan. 19, 1947, p. 114.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

*Calendar of Meetings*¹

In Session as of January 26, 1947		
Far Eastern Commission	Washington	Feb. 26, 1946
United Nations:		
Security Council	Lake Success	Mar. 25, 1946
Military Staff Committee	Lake Success	Mar. 25, 1946
Commission on Atomic Energy	Lake Success	June 14, 1946
UNRRA - Intergovernmental Committee on Refugees (IGCR): Joint Planning Committee	Washington and Lake Success	July 25, 1946
Telecommunications Advisory Committee	Lake Success	Nov. 10, 1946
Committee To Study Post-UNRRA Relief	Lake Success	Dec. 19, 1946- Jan. 19, 1947
Economic and Social Council (ECOSOC):		
Drafting Committee of International Trade Organization, Pre- paratory Committee	Lake Success	Jan. 20-Feb. 28
Economic and Employment Commission	Lake Success	Jan. 20-Feb. 1
Social Commission	Lake Success	Jan. 20-Feb. 1
German External Property Negotiations (Safehaven):		
With Portugal	Lisbon	Sept. 3, 1946
With Spain	Madrid	Nov. 12, 1946
Inter-Allied Trade Board for Japan	Washington	Oct. 24, 1946
FAO: Preparatory Commission To Study World Food Board Pro- posals	Washington	Oct. 28, 1946- Jan. 24, 1947
Inter-Allied Reparation Agency (IARA): Meetings on Conflicting Custodial Claims	Brussels	Nov. 6-Dec. 17, 1946. To resume Jan. 29
PICAO:		
Interim Council	Montreal	Jan. 7
Personnel Licensing Division	Montreal	Jan. 7-25
Air-Transport Committee: Sixth Session	Montreal	Jan. 13
Aeronautical Maps and Charts Division	Montreal	Jan. 14
Council of Foreign Ministers: Meeting of Deputies	London	Jan. 14-Feb. 24
International Wheat Council	Washington	Jan. 15
Scheduled January-March 1947		
United Nations:		
Economic and Social Council (ECOSOC):		
Human Rights Commission	Lake Success	Jan. 27-Feb. 8
Statistical Commission	Lake Success	Jan. 27-Feb. 8
Population Commission	Lake Success	Feb. 6-19
Transport and Communications Commission	Lake Success	Feb. 6-19
Commission on the Status of Women	Lake Success	Feb. 10-22
Subcommission on Economic Reconstruction of Devastated Areas, Working Group for Asia and the Far East	Lake Success	Feb. 14

¹ Prepared in the Division of International Conferences, Department of State.

Calendar of Meetings—Continued

United Nations: ECOSOC—Continued		
Non-Governmental Organizations Committee	Lake Success	Feb. 25-27
Standing Committee on Negotiations with Specialized Agencies .	Lake Success	Feb. 28
Fourth Session	Lake Success	Feb. 28
Meeting of Experts on Passport and Frontier Formalities . .	Geneva	Mar. 17
International Court of Justice	The Hague	Feb. 10
Trusteeship Council	Lake Success	Mar. 26
Conference for the Establishment of a Regional Advisory Commission for Non-Self-Governing Territories in the South and Southwest Pacific	Canberra	Jan. 28-Feb. 16 (tentative)
Interim Emergency Food Council	Washington	Jan. 30-31
ILO:		
Industrial Committee on Petroleum Production and Refining . .	Los Angeles	Feb. 3-12
101st Session of the Governing Body	Geneva	Mar. 5-8
Committee on Social Policy in Dependent Territories	London	Mar. 17-22
Committee of Experts on the Application of Conventions . . .	Geneva	Mar. 24-29
Preparatory Meeting of Statistical Experts	Montreal	March
PICAO:		
Divisional		
Accident Investigation Division	Montreal	Feb. 4
Airworthiness Division	Montreal	Feb. 18
Airline Operating Practices Division	Montreal	Feb. 25
Regional		
South Pacific Regional Air Navigation Meeting	Melbourne	Feb. 4
Conference of the International Union for Protection of Industrial Property	Neuchâtel	Feb. 5
Signing of Peace Treaties with Italy, Hungary, Bulgaria, Rumania, and Finland	Paris	Feb. 10
International Refugee Organization: Preparatory Commission . .	Geneva	Feb. 11
Emergency Economic Committee for Europe (EECE): Subcommittee on Emergency Housing Problems	The Hague	Feb. 13-15
International Children's Fund: Executive Board and Special Com- mittee Meeting	Lake Success	Feb. 24
Council of Foreign Ministers	Moscow	Mar. 10
World Health Organization (WHO): Third Session of Interim Com- mission	Geneva	Mar. 31
European Central Inland Transport Organization (ECITO): Seventh Session of the Council	Paris	March

Activities and Developments »

SIGNING OF ARTICLES OF AGREEMENT OF INTERNATIONAL BANK

On December 24, 1946, Colombia signed and accepted the articles of agreement of the International Bank for Reconstruction and Development.

Those countries which were entitled to sign the articles of agreement before January 1, 1947 but failed to do so are: Australia, Liberia, New Zealand, Haiti, and the Union of Soviet Socialist Republics.

SECOND INTER-AMERICAN CONGRESS OF RADIOLOGY¹

The Second Inter-American Congress of Radiology was held at Habana, Cuba, from November 17 to November 22, 1946, to permit the exchange of radiological information among physicians of all the Americas. The Congress of Radiology was created by interested physicians in 1943 following correspondence between leading members of the medical specialty of radiology in North and South America.

The first congress was held in Buenos Aires in 1943. Because of traveling restrictions created by the war, no delegates were able to attend from North America. At the recent congress physicians from all the American republics were invited to attend, and nearly all were represented. Scientific papers dealing with radiological research and procedure were presented, and exhibits, including both scientific and commercial displays, were set upon the site of the congress. Papers were delivered on such topics as the use of X-ray and radioactive substances in the diagnosis, treatment, and prevention of disease and on Roentgen therapy.

At the closing session of the congress on November 22, a new organization, the Inter-American College of Radiology, was founded. Its headquarters office will be in Buenos Aires, Argentina. The Third Inter-American Congress of Radiology is scheduled to be held in Santiago, Chile, in 1949.

The following were members of the United States Delegation: from the American College of Radiology, Eugene P. Pendergrass, M.D., E. C. Ernst, M.D., Ross Golden, M.D., Leon J. Menville, M.D., and Benjamin H. Orndoff, M.D.; from the American Roentgen Ray Society, Vincent W. Archer, M.D., J. Bennett Edwards, M.D., Raymond C. Beeler, M.D., Mac F. Cahal, J.D., George E. Pfahler, M.D.; from the Radiological Society of North America, Inc., W. Edward Chamberlain, M.D., Lowell S. Goin, M.D., Maurice Lenz, M.D., Edgar P. McNamee, M.D., Frederick W. O'Brien, M.D., and Edith H. Quimby, M.D.; from the U.S. Public Health Service, Herman E. Hillboe, M.D., and Russell H. Morgan, M.D.

PRESS AND RADIO COVERAGE FOR COUNCIL OF FOREIGN MINISTERS IN MOSCOW

[Released to the press January 21]

Ambassador Bedell Smith reported from Moscow on January 18 that he and Deputy Minister for Foreign Affairs Vyshinsky conferred on subjects relating to press coverage, radio broadcasting facilities, and so forth for the forthcoming meeting of the Council of Foreign Ministers at Moscow. Ambassador Smith reported that the Soviet position is as follows:

The primary consideration of the Soviet Government is to provide suitable quarters and office space for the delegations. Delegations and correspondents will be quartered in the Moscow Hotel, the larger part of which is now being cleared for the purpose. The Soviet Government is unable to determine the total number of correspondents who can be admitted until they know the size of the official delegations.

The Soviet Government is unable to make a tentative estimate of the ceiling on the number of correspondents at this time.

No difficulty about the arrival of correspondents by United States air transport is anticipated.

Ambassador Smith further reported that a decision has not yet been made as to whether broadcasting facilities will be available. He pointed out to Mr. Vyshinsky the importance of making such facilities available.

The Soviet Government will permit correspondents to write with complete freedom on conference matters.

SIGNING OF PEACE TREATIES

On January 20, 1947 Secretary of State James F. Byrnes signed on behalf of the United States of America the treaties of peace with Bulgaria, Hungary, Italy, and Rumania, which were formulated by the Council of Foreign Ministers. Those treaties will be signed in Paris on February 10 by the American Ambassador to France and representatives of the other governments concerned.

¹ Prepared by the Division of International Conferences, Department of State.

Sixth Plenary Session of Intergovernmental Committee on Refugees

Article by Martha H. Biehle

The Sixth Plenary Session of the Intergovernmental Committee on Refugees met in London from December 16 to 20, 1946 with representatives of 32 of the 36 member governments in attendance. Señor Don Manuel Bianchi, Ambassador in London for the Government of Chile, was elected chairman of the session. The Delegate of the United States Government to the meetings was George L. Warren, adviser on refugees and displaced persons to the Department of State.

The major items for consideration by the Committee were the report of the director on activities in 1946, the administrative and operational budgets for 1947, and the proposals for adoption of an international scale for contributions of all member governments to the operational budget.

Sir Herbert W. Emerson, director, reporting on the work of the Committee during 1946, stated that although the program of maintenance and relief of refugees has continued in Belgium, France, Holland, Portugal, and Spain, and to a small extent in Italy and the Middle East, the emphasis of the Committee in the past six months has been on emigration and resettlement. On July 16, 1946 the Executive Committee voted to extend the Committee's program to include activities leading to resettlement of those displaced persons who are unwilling or unable to return to their countries of former habitual residence. It was understood that such activities are regarded as preliminary to the assumption of responsibility for refugees by the proposed new International Refugee Organization. The Intergovernmental Committee has sent four missions to South American countries to explore the possibilities for immigration of displaced persons. The Committee is also taking up the matter of establishing resident representatives in Shanghai to aid in the emigration of European refugees temporarily resident in China, and representatives in countries of reception in the Western Hemisphere.

¹The United States Government has not yet signed the agreement.

During the discussion of the director's report the question was raised whether the Committee's work on behalf of the resettlement of refugees is compatible with the desired encouragement of repatriation. In response the fact was stressed that, although the Committee desires to see as many displaced persons repatriated as possible, it is recognized that a number will refuse to be repatriated voluntarily. Therefore, it is necessary, on humanitarian grounds and in order to prevent a growth of bitterness that might possibly result in a new fascism, to make provision for such persons in new areas of settlement. It was also suggested that many displaced persons who are uncertain about their plans may prefer repatriation when they see clearly that resettlement will not result in an easy mode of life. The Committee's extension of activities in the matter of resettlement, in preparation for the International Refugee Organization, was approved by most members present.

During 1946 the Committee undertook various measures for the legal and political protection of stateless persons. Prominent among these was the calling of an international conference of governments to consider proposals for an internationally acceptable travel document for issue to stateless persons. This conference concluded with the approval on October 16, 1946 of an international agreement which was signed by 15 governments and which provides the conditions for the issuance of the travel document by a signatory government to stateless persons temporarily resident in that country.¹

The director reported that according to article VIII of the final act of the Paris Conference on Reparation, the Governments of Czechoslovakia, France, United Kingdom, United States, and Yugoslavia had been designated to work out a plan for the use of certain funds from German reparations for the rehabilitation and resettlement of non-repatriable victims of German action. Accordingly, these five governments met in Paris in June 1946 and asked the Intergovernmental

Committee on Refugees to administer these funds through appropriate public and private organizations. The director of the Intergovernmental Committee is to make funds available to these organizations for programs submitted by them, as soon as he has satisfied himself that such programs are consistent with the purposes of the reparation fund.² The conditions of the use of these funds are specifically defined in a letter of instructions transmitted to the director of the Intergovernmental Committee on Refugees by the French Government on behalf of the five governments participating in the Conference. These instructions designate the American Jewish Joint Distribution Committee and the Jewish Agency for Palestine as the field agencies to which the director, after satisfying himself that the projects submitted by them meet the intent of the reparation fund, shall make available that portion of the fund which is for Jewish victims of Nazi action. The organizations to administer the funds available for non-Jewish victims are to be selected by the director of the Intergovernmental Committee from among the appropriate field organizations competent to perform these functions. The restriction of eligibility to very specific categories of refugees, most of whom are German and Austrian Jewish victims of persecution, and to few types of services, means that the reparation fund may be used to aid in the resettlement of less than 20 percent of the total number of displaced persons.

An administrative budget of approximately \$471,000 was approved for the year 1947. In presenting the operational budget it was stated that the Executive Committee had suggested that estimates should be based on the assumption that the new International Refugee Organization would commence operations on or about July 1, 1947. The proposed budget for the Intergovernmental Committee for the first half of 1947 was \$14,490,000. This included \$394,450 for overseas offices and missions, \$1,457,050 for current programs of assistance other than transportation (chiefly in Belgium, France, Holland, Portugal, and Spain), \$9,257,500 for the emigration of individuals and family units, \$2,012,500 for group settlement, and \$1,368,500 for unforeseen expenditures. The proposed figures for emigration and resettlement were closely related to the expenditures estimated for the International Refugee

Organization in these fields. After some discussion, the budget estimates were reduced by \$2,012,500 in the case of individual and family emigration, and by \$402,500 in the case of group settlement, with the result that the operational budget approved by the plenary session for the first six months of 1947 is a total of \$12,075,000.

A resolution passed by a majority vote recommended that member governments contribute toward the Committee's operational expenditure according to an intergovernmental scale which was also approved. Members were asked to communicate their intentions on this matter before February 15, 1947. The new scale is based on the scale for contributions to the operational expenditure of the International Refugee Organization, and the largest contributions under it are: Anglo-American, 69.84 percent (the division of which as left to bilateral discussions between the two countries); French, 4.73 percent; Canadian, 4.04 percent; Swedish, 2.54 percent; Swiss, 2.19 percent; and Australian, 2.03 percent. Until the adoption of this proposal the operational expenses of the Committee were underwritten in equal amount by the Governments of the United States and the United Kingdom, with other member governments asked to contribute voluntarily.

The plenary session also adopted resolutions relating the work of the Committee and its financial provisions to those of the International Refugee Organization, and recommending that as many as possible of the suitable members of the Committee's staff be employed by that Organization.

During the session, the Italian Government and the Government of Liechtenstein were admitted into membership of the Committee. The Governments of Argentina, Belgium, Brazil, Canada, France, Poland, Switzerland, United States, and United Kingdom were elected to constitute the Executive Committee. The Governments represented at the plenary session were: Argentina, Australia, Belgium, Bolivia, Brazil, Canada, Chile, Colombia, Czechoslovakia, Denmark, Dominican Republic, Egypt, Eire, France, Greece, Iceland, India, Italy, Liechtenstein, Luxembourg, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Paraguay, Peru, Poland, Sweden, Switzerland, Union of South Africa, United Kingdom, United States of America, and Venezuela.

² BULLETIN of Jan. 27, 1946, p. 114, and of July 14, 1946, p. 71.

THE RECORD OF THE WEEK

National Defense and National Reputation

ADDRESS BY ASSISTANT SECRETARY BENTON¹

You have dedicated this conference to the subject of national defense. I shall dedicate this talk to the theme of national defense of a new type—a type that is far less understood by the American people than is the atomic bomb.

Military experts say there is no effective defense against the new weapons of war. They are, of course, right. There is no military defense. But there is another, a greater defense, that is not military. We must build that defense; and we must build it now, while there is yet time.

If we cannot surely rely on guns and ships, on airplanes and bombs, what other hope is open to us? The Constitution of the United Nations Educational, Scientific and Cultural Organization declares: “. . . wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed.” Is it in fact possible, by constructing defenses in the minds of men, to progress toward national security that is real and lasting?

The use of facts and ideas, as well as oceans and battleships and tanks, is new to the American people when they think of their national defense. But in the war our Army and Navy learned how potent facts and ideas can be. In cooperation with the Office of War Information, they developed what were called *P. W. units*—units dedicated to psychological warfare.

One incident may demonstrate the power of psychological warfare. Marquis Kido, who as Lord Keeper of the Privy Seal was an adviser to the

Emperor of Japan, has testified that the Emperor had access to the monitoring service on our “Voice of America” broadcasts in the Japanese language. The Emperor had himself picked up our leaflets on the Palace grounds. The effect of our information activities, and their potential effect on the Japanese people—Marquis Kido’s evidence shows—was a positive factor in the decision to issue the Imperial Rescript, which announced Japan’s surrender, over the opposition of powerful forces which wanted to fight it out to the bitter end. These broadcasts and leaflets may have saved the lives of hundreds of thousands of American boys. Our ideas were thus weapons, perhaps more powerful than any battleship or task force. The war provides us with countless examples of the power of ideas as weapons.

But I am not here to talk about psychological warfare. That, we hope, is behind us. The value of projecting facts and ideas—honest and unvarnished facts, fair and balanced ideas—can be as great in peace as a measure of national security, as in war as a weapon of offense. The weapons of the war can be forged into the tools of the peace. This we must do, and now. Among the leading nations, it is only the United States that fails to accord recognition to the power of facts and ideas in time of peace as in war.

We Americans know much about our Navy, the most powerful in the world; about our Air Force; our billions of dollars in gold in the vaults in Kentucky; about our Detroit and Pittsburghs. As a people we know little about the power of our ideas in their potential influence over other peoples. We have as yet shown little faith in their capacity to gain understanding throughout the world for our democratic government and our way of life.

Do we want friends throughout the world?

¹ Excerpts from an address delivered before the Twenty-first Women’s Patriotic Conference on National Defense in Washington on Jan. 25, 1947 and released to the press on the same date.

Does having friends not minimize the risk of war? Are they not assets in time of crisis?

We have all of us seen in our own lives, and in the life of our Nation, what a tremendous asset friends can be. We know too that without friends no possible action or policy can bring us permanent security.

Thus it is not merely our economic policy that can achieve the kind of world in which the chance for peace is enhanced and the risk of war is minimized. It is not merely the fear of our military power that can prevent attack upon us. It is also knowledge of what we are and what we do, of our ideas and our intentions; in a word, our reputation. And it is knowledge of our everyday lives that counts as well as our high policy, for one explains the other; knowledge of the high school in Des Moines and the farm in Indiana, of the small factory in upstate New York as well as the big shipyard in California; of the country weekly in Virginia as well as the glossy magazine out of New York; of our churches, with their 68,000,000 membership, our free unions, our multifarious civic organizations.

Congress is becoming increasingly aware of the importance of our national reputation. Senator Wiley has just introduced a bill calling for the establishment of a Department of Peace, under a Secretary of Peace having Cabinet rank. The Secretary of Peace would concentrate on the maintenance of peace through promoting better understanding among the peoples of the world of each other, and thus promoting international cooperation; and through advancing freedom of the press and through throwing the weight of moral force behind the removal of international frictions and misunderstandings.

Congressman Dirksen has introduced a bill calling for the establishment of a Peace Division in the Department of State, under an Assistant Secretary of Peace, to study the cause and cure of war and to develop a philosophy of peace based upon such study.

I know and admire both Senator Wiley and Congressman Dirksen. Congressman Dirksen during the war testified on behalf of the OWI, reporting his observations on a trip overseas with an eloquence and persuasiveness that demonstrated both his insight and his courage.

I have not seen or talked to either Senator Wiley or Congressman Dirksen since their bills were

introduced. Can it be they are kidding the State Department? Or is it that they feel the State Department is so remiss in its obligations that the only hope is new legislation of the type they propose? I am grateful to them for these bills, which may focus the attention of Americans on what the role of their State Department must be.

For surely a main function of the Department of State should be that of Senator Wiley's proposed Department of Peace: to foster the kind of world environment that minimizes the risk of war. If it does not do this, it should be, in fact, re-oriented in viewpoint by legislation or otherwise. And it is my area of the Department that is specifically responsible for advancing understanding among peoples and helping to construct the defenses of peace in the minds of men. Here, I agree with what is implicit in these bills; the job is being done inadequately, and on a pathetically small scale; and here you women and your organization can help greatly if you will.

As Senator Vandenberg recently pointed out, national defense requires constant vigilance. It requires also a constant reevaluation of the elements that make up our security. Today the elements that compose our defense are shifting so rapidly that they demand the coolest, wisest thought of which we are capable.

To the men of Jefferson's day, as of McKinley's, the phrase *national defense* has meant the defense of our shores against armed attack. It has evoked the picture of an isolated America, warning a hostile world not to trespass. If such a negative concept was ever justified—and it probably was—it is not justified now. The concept of the G. A. R. can no longer be that of the D. A. R. National defense must today be a positive concept; and you have shown, in the structure of this conference, that you recognize it as a positive concept.

Two new facts of international life, closely related, should produce an overwhelming impact on our conception of national defense.

One fact is the revolution that has taken place in our foreign policy within the last five years. That revolution is so profound that we have not fully adjusted our emotions, our actions—or our appropriations—to it, though with our minds we recognize it to be inevitable and irreversible. Our national defense is today the defense of law and justice throughout the world. We are committed specifically to resist aggression wherever it may

occur. We are committed generally to a concern with the well-being of peoples everywhere, not for reasons of altruism but in our own interest and for our own protection.

Two weeks ago tonight in Cleveland, former Secretary Byrnes said, "As a great power and as a permanent member of the Security Council, we have a responsibility, veto or no veto, to see that other states do not use force except in defense of law." Secretary Byrnes has been widely praised for that statement. Contrast that with our Neutrality Act of 1939 and you will see what a revolution has taken place in our thinking.

The second new fact of international life is that the instruments of modern war have become so horrible that, if war comes again, it is likely that nobody will win, and almost certain that everybody will lose. The prime objective of national defense is thus to prevent war and at the same time establish justice. That is the task of statesmanship. That is a task to which we are only beginning to be adjusted. That is a task which we do not yet fully understand, and a task on which you women and your organizations are singularly fitted to take leadership.

In our American view, the chief function of the armed forces is to discourage aggressors—in advance. We employ force only as a last resort. The dilemma today is that the resort to force may be a last resort indeed—and for all of us. The victor at the next peace table, if there is still a table, may represent a country with its own cities and civilization virtually destroyed. Such would be no victory, except to the few left alive who can hollowly proclaim: "We have won again."

This dilemma, coupled with our new world-wide commitments, requires us to search for, and to develop as we never did in the past, techniques of national defense in which the risk of resort to naked force is reduced to the absolute minimum.

Fortunately there is a wide range of techniques between the hope for a moral millenium on the one hand and the resort to force on the other. The American people, as a whole people, have never before had to study and master them. We are now moving to expand and improve our diplomatic corps, a move which should have been made many years ago. We have been reshaping our foreign economic policies. We have shared in the invention and the creation of the United Nations and its specialized agencies as wholly new instru-

ments of national defense, in the positive sense of that term. And we are beginning the effort to assure that foreign peoples understand us—understand our people, understand our problems, our policies, and the national life from which these policies spring.

This afternoon you discussed the strengthening of national defense by strengthening democracy at home. It is true that great empires have succumbed from internal decay as often as from external attack. What I want to stress tonight is the impact abroad of our domestic policies.

Our position as the leading world power makes our domestic, internal activities important to the entire world. How we live, what we do, may affect everyone. Therefore we are objects of intense curiosity. That curiosity symbolizes both the penalty and the opportunity of leadership. It is a new phenomenon. In the nineteenth century, older civilizations looked upon us—when they looked at all—as a kind of child prodigy. Their curiosity about the adult is accompanied by many strange and sometimes massive misconceptions. Evidences of these misconceptions flow across my desk in a constant stream.

Perhaps the most wide-spread and damaging misconception abroad about the United States is that the American economy is sure to prove highly unstable—and not to be depended on. Foreign peoples remember the world depression of the thirties as an economic nightmare that had its origin in the United States. Perhaps the greatest single obstacle today to foreign response to our leadership, in many parts of the world, is fear of economic collapse in the United States. This fear of an American economic breakdown is more acute among many foreign peoples, who desperately crave security, than it is here. They fear that if they tie themselves in with our economy, or emulate our methods, they will commit themselves to boom and bust.

Foreign peoples find it hard to understand or properly appreciate the strength and vitality of the American economy, even during a setback. One hundred years of Marxist indoctrination about the inevitable and bloody collapse of the capitalist system has not made understanding easier.

It is claimed against us that we cannot attain stable employment and high production in peacetime; or that we are firmly in the grip of a growing

system of monopoly; or that our system must lead to world-wide economic imperialism. For some countries, our strikes are dramatized as national disasters—the beginning of the end—even though they affect only a small fraction of our work force.

The moral here for us, in the economic area, is twofold. First, it is in our national interest that we project to peoples abroad the facts of our economic life fully, steadily, accurately, and deliberately, and by every means at our disposal. We can see to it that our reputation is no worse than the facts justify.

The other half of my dual moral is that we must in fact strengthen our democracy—and thus our prestige, our leadership, and our security. There is still truth in the old adage: "What you are speaks so loudly I cannot hear what you say." Our efforts will be watched abroad with bated breath. Can we temper the excesses of the business cycle? Can we solve our labor problems?

We cannot blame the French for worrying about our economics when an American coal strike can bring French industry grinding to a halt; or the British, when their meager bread ration is threatened; or the Italians, when their reconstruction program is endangered. Can we steadily expand our production, provide basic security for our people, insure equality of economic opportunity, and at the same time maintain our traditional freedoms?

Can we, in short, put into practice what we have learned since 1929? Of course we will continue to have some fluctuation. But there is a new spirit in America; and we do have the knowledge, and the power, to take steps that will avoid the extremity of boom and bust, if we have the will.

As we succeed, and as understanding of our progress spreads, it will be no local triumph. It will be a success that will help determine the shape of the future of the world. And it will bear heavily on our national defense, as that term should be broadly and positively conceived.

Tomorrow you will hear about the military aspect of our defense and the military responsibilities we have assumed through our membership in the United Nations.

This is still a poor world we live in, morally, educationally, and in mutual understanding among peoples. Physical force is still the ultimate arbiter. Sometimes it lies very close beneath the surface of negotiations. Secretary Byrnes em-

phasized, in several of his public statements last year, that it is unrealistic to think that your words will carry weight in an international conference unless you have force to back them up.

The United States was catapulted into its present position of world leadership—somewhat reluctantly and to its own surprise—not because of its virtue but because of its economic, technological, and military strength. Despite the reservoir of good-will we have in many parts of the world, you would be disappointed, if you sat where I sit, to find that respect for our good works, and admiration for our moral or spiritual leadership, lags far behind the knowledge of our economic power and military might.

I am not minimizing the value of a reputation for strength. It is a reasonable assumption that if the Japanese and German people had known the strength and determination of the United States they would never have risked an aggression involving us, or raised up leaders who risked it. They were told that we were weak and divided, decadent from too much luxurious living; and they believed it. Brigadier General Fellers, one of General MacArthur's aides, who interviewed leading Japanese generals and admirals, told me that some of those leaders who knew America best so opposed the attack on Pearl Harbor that they were forced into retirement.

A country must be strong if it is to be a leader, and the United States is strong. But a real leader must have more than power. He must have loyalties, and he must have friends; and these friendships must not be based on fear and favors but on mutual understanding and respect. He must be respected for what he is and for what he does. He must be honest, reliable, predictable. Other nations and their peoples must have confidence that self-restraint will be exercised in the use of power. They must be convinced that the leader will act according to principle and use power for the benefit of all rather than for narrow selfish ends. Today it is necessary not only to *be* and to *do* but to *say* what we are, and what we are doing, in a voice the whole world can hear.

Former Ambassador Bullitt says in his recent book: "The most necessary and legitimate use of force is to hold the field to permit the growth of moral ideas."² We are now putting a very great

² *The Great Globe Itself*, (Scribner's, New York, 1946), p. 170.

deal of money into force and properly so, given the present state of the world's morals and of the present lack of understanding of the United States. But when you listen tomorrow to a description of our military, naval, and air protection, remember to ask yourselves, "What are we doing to promote the growth of moral ideas? And what are we doing to make clear to the peoples of the world an honest picture of our lives—our achievements with our failures, our aspirations with our shortcomings?"

You will also hear tomorrow a discussion of the United Nations and several of its corollary agencies. I shall now anticipate some of that discussion. These agencies operate in the great field that lies between reliance on pure morality on the one hand and pure strength on the other. I want to bespeak your interest in the United Nations agency that takes the longest view, reflects most closely the moral end of the spectrum of international relations, and, potentially, may hold the highest promise for building defenses of peace that will endure.

Last month I had the honor of leading the American delegation to the first general conference of the United Nations Educational, Scientific and Cultural Organization, meeting in Paris. The program that emerged is one that can contribute significantly to our national security.

UNESCO will seek to eradicate illiteracy everywhere and to lift educational standards. Illiterate men are pawns in a power struggle. UNESCO will seek to reduce barriers to the free flow of ideas and information everywhere. The most literate peoples can be led and bullied into aggression when they are cut off from a full and steady account of development among other peoples and fed on lies and distortions. UNESCO will seek to diagnose the social and psychological tensions that lead to conflict, as urged in Congressman Dirksen's bill. And UNESCO will stimulate the exchange of students, teachers, scholars, and experts on the widest possible scale. In such ways UNESCO will strive to lay that solid foundation of understanding among peoples which is the best hope of peace. As UNESCO succeeds, our security, and the world's security, will be strengthened. The operating budget for all of UNESCO for 1947 is \$6,000,000. This is, I should guess, one

ten-thousandth of the world's military and naval expenditures this year.

UNESCO should have your support, not passive and inarticulate but active and vocal.

Finally, you should interest yourselves in a new instrument in our program for national security, the Office of International Information and Cultural Affairs in the Department of State. This arm of national security is designed to accomplish, on a national and bilateral basis, what UNESCO is designed to accomplish on an international and multilateral basis. Its function is to project to foreign peoples a full and fair picture of American life and of the aims and policies of the United States Government. Its policy is to concentrate on those areas, and those media of communication, where private agencies do not or cannot function adequately, to fill the gaps and correct the misconceptions. It is thus the guardian of our national reputation abroad. Its end is to help assure that our country will not again be placed in jeopardy because it is misunderstood.

Our political and military leaders have recognized the new urgency of understanding. President Truman has said: "At no time in the history of man has the survival of man depended so much upon the ability of man to understand his fellow-man." Secretary Byrnes has said: "There was a time when we could afford—or thought we could afford—to be unconcerned about what other people thought of us. . . . That time is past."¹ Secretary Marshall, in his report on China, has stressed the confusion that results from distorted propaganda.

General Eisenhower has said, "I am convinced that the world cannot stand another global war, and, as I see it, the thing to prevent such a tragedy happening is education. No one wants war. The common man everywhere hates war. We must enlist that hatred of war to prevent it happening again. The peoples of the world must be made to realize how much the very thinking of war costs us all, how much of the revenue of our countries is being diverted to the purposes of war—these non-productive expenditures. I believe so fervently in mass public opinion—look how it armed the United States when war came—and if only it were mobilized in favor of the peace we all want, there never would be another war."

General Eisenhower is right in referring to military expenditures as non-productive. They

¹ Department of State appropriation bill for 1947, p. 10.

are a non-productive drain on the economy, just as a fire-insurance premium is a non-productive expenditure for a home owner. Both are necessary for protection. But when his fire-insurance premium becomes unbearably large, the home-owner seeks ways to reduce it by reducing the risk of fire. If our State Department's information program helps reduce the risk of war, it can thus help reduce the premium cost of armaments.

The Office of International Information and Cultural Affairs observed its first birthday on January first. This Office has maintained small information staffs and United States information libraries in 62 countries. It has exhibited non-commercial documentary motion pictures about American life to some 100 million people overseas. It has furnished background material and full texts of official statements to editors throughout the world. And it has broadcast by shortwave around the clock in 24 languages. Next month a twenty-fifth language will be added—Russian.

This Office has also been the focal point for a program of scientific and cultural cooperation and of exchange of students with the other American republics. It awaits congressional authorization to extend this work to the rest of the world. The lack of this authorization, which will be requested in a bill to be introduced shortly, is one of the great gaps in our national security program. It is a gap which I hope Congress will shortly fill.

These efforts are indeed modest in scope, compared with the breadth and depth of the misunderstanding about America. Other powers, under the spur of greater necessity, long ago developed skill in projecting their stories. Great Britain's effort is on at least twice our scale. Compared with the total activities of the Soviet Union, where propaganda seems to be placed in a class with the Red Army as a bastion of foreign policy, the informational efforts of both Great Britain and the United States are minor.

Modest is perhaps too flattering a word to describe our information activities abroad. Our budget for these activities is less than one quarter of one percent of the budget of the armed forces. There was a time last year when it seemed likely there would be no budget at all. Thus these new activities are still not recognized by Congress and our people as an important and an integral part of the conduct of our foreign relations, and thus as a major element in our security.

The exchange of students is an example. I know of no surer method of increasing understanding of the United States, for the long run, than to bring foreign students to live among us for a year or two. If this is true, and if the understanding they acquire contributes to our security, then we should invite such students not in terms of a few score or a few hundreds but in terms of thousands. And we should widen the area from which we assist such students, not limit it to Latin America. We must widen our horizons and raise our sights. This will require the basic legislation to which I have referred, and it will then require a budget.

Another example is our foreign-language broadcasting. If this is worth doing, if it contributes to our security—and we in the State Department are convinced that it does—then we should see to it that the programs we broadcast are audible, without fading, in every key area of the globe. This will require additional relay stations abroad, to pick up our programs and re-broadcast them. The cost of these relay stations is negligible compared to the results we are after. Here again, congressional action is called for.

Industrial Development—Continued from page 192

Cultural Organization. In view of this fact, some Members expressed the opinion that, in the interests of avoiding a duplication of functions, the broad language of the United States draft charter on this question should be retained, and a specific decision to undertake positive tasks postponed until experience should show that necessary functions were not being performed either under the Council or by other specialized agencies.

Rather than attempt to settle this issue, the Committee decided to request the opinion of the Economic and Social Council, and the draft clause regarding the role of the Organization in promoting economic development was enclosed in parentheses to indicate its tentative character. A resolution was then drafted drawing the attention of the Economic and Social Council to the discussion of this question in the Committee's report and asking the Council to state, before the commencement of the Second Session of the Preparatory Committee, whether the clause provisionally included in the draft chapter "was in accordance with the Council's views on the appropriate allocation of functions among the various specialized international agencies."

Proposed Treaty of Commerce With India

LETTER FROM UNDER SECRETARY CLAYTON TO REPRESENTATIVE CELLER

[Released to the press January 20]

At the request of Representative Emanuel Celler of New York, the Department is releasing the following letter sent to Mr. Celler by the Under Secretary for Economic Affairs, Will L. Clayton, on December 21, 1946. Mr. Clayton's letter was sent in response to inquiries from Mr. Celler regarding commercial relations between the United States and India, with particular regard to the need for a treaty of friendship, commerce, and navigation between the two countries.

My DEAR MR. CELLER:

I wish to supplement my letter of December 11, 1946 acknowledging your communication of December 2, in which you suggested the advisability of negotiating with India a Treaty of Friendship, Commerce and Navigation. You also referred to your previous letter, dated September 26, in which you recommended that a trade commission be sent to India to develop closer commercial and industrial relations.

Since writing you on October 15, 1946, with respect to the second of these questions, the Department has learned of the plans of certain private organizations to send trade missions to India during 1947 with the purpose of exploring with Indian business interests the possibilities of closer trade relations. Such projects appear to me to be very much worth while, particularly if a careful groundwork is laid and the personnel of the mission consists of representatives of firms which are actually engaged, or prepared to engage, in serious and substantial trade.

In recognition of the increased importance of the economic relations between the United States and India, the Department is strengthening its official economic representation in New Delhi. Mr. Samuel H. Day, who has had a long and distinguished career first with the foreign service of the Department of Commerce and since July 1939 with the unified foreign service, has recently been appointed Counselor for Economic Affairs of our Embassy in New Delhi. Mr. Day expects to leave for India within the next few days. In preparation for his new duties on instructions of the Department he has conferred in New York

City with the private groups planning to send trade missions to India in order that he may be prepared to accord such missions all appropriate assistance both in preparing for the visits and upon their arrival.

As indicated in my interim reply of December 11, this Department has long wanted to conclude a mutually advantageous Treaty of Friendship, Commerce and Navigation with India. For your confidential information, this question has been discussed with officials of the Government of India on several occasions. The United States naturally would not wish to conclude a commercial treaty with India unless most-favored-nation treatment were granted. The "commercial safeguards" sections of the Government of India Act of 1935, under which India is still governed, grant British commercial and professional interests extensive privileges. Indian nationalist opinion has long agitated for the elimination of such privileges and the Government of India has not considered it could grant most-favored-nation treatment to the United States, or to other foreign countries, so long as the "commercial safeguards" continue in effect. The conclusion of a commercial treaty between India and the United States is, therefore, dependent upon constitutional progress including the negotiation of a treaty between India and the United Kingdom which presumably will concede only such privileges as India is willing to grant to third countries.

As I have previously indicated, the Department was most grateful for your leadership in obtaining passage of the Indian Immigration Act. I am also most appreciative of your continuing interest in Indian affairs and particularly of your sympathetic realization of the complexities involved in bringing to a successful conclusion the negotiation of a commercial Treaty. Please be assured that the Department will take advantage of any favorable opportunity to urge again on the Government of India the desirability of an early conclusion of such a Treaty as you recommend.

Sincerely yours,

W. L. CLAYTON

Under Secretary for Economic Affairs

Department of State Bulletin

Direct Negotiations for Owners of Property in Germany and Japan

[Released to the press January 21]

The Department of State reiterated on January 21 that persons owning property or having other proprietary interests in Germany or Japan may now communicate directly with business parties or interests in those countries without channeling such inquiries through the Department of State (as provided by Treasury Department Public Circular no. 34).¹

Heretofore, under wartime restrictions, persons in the United States were prohibited from communicating with friends, relatives, or business representatives in Germany or Japan concerning their property, nor could persons in those occupied countries communicate such information to residents of the United States.

Thousands of persons who found refuge in this country shortly before the war, many of whom are now American citizens, have had no knowledge of what became of their former homes, commercial establishments, and personal property in Germany and Japan.

Examples of communications which may freely be exchanged under the public circular are reports concerning the status of property located in Germany and Japan, information with respect to trade prospects, and other messages looking toward the resumption of business relations with Germany and Japan. The transmission of documents such as birth, death, or marriage certificates, wills, and legal notices was authorized under this circular.

Inquiries with respect to trade prospects and other messages looking toward the resumption of business relations with Germany and Japan, such as the nature, quantity, and availability of goods, are also permitted now. It is expected that private commercial transactions will be authorized when arrangements for resumption of private trade have been made.

Attention is directed to the fact that transactional communications with Germany and Japan

are still prohibited, including any communication which constitutes or contains authorizations or instructions to effect any financial, business or commercial transaction, as well as the transmission of powers of attorney, proxies, payment instructions, transfer orders, checks, drafts, payments of exchange, currency, money orders, and the like.

It should also be noted that under the regulations in effect in Germany, correspondence with Germans concerning German external assets, even of a simple informational character, will not be passed by censorship. A similar instruction is in effect in Japan.

Although it is expected that property owners will now generally take advantage of the opportunity to transmit the permitted types of communications directly to persons in these countries, the Department of State will continue, upon request, to afford its services in forwarding inquiries to United States authorities in Germany and Japan and in ascertaining the status of American-owned property.

Military Government Activities in Korea

Summation no. 13 for the month of October 1946 of United States Army Military Government activities in Korea was released to the press by General Headquarters, Commander in Chief of United States Army Forces, Pacific, and by the War Department in Washington on January 19, 1947.

Included in the report are the announcement of the establishment of a Unification Committee and the committee's approval of a plan to establish a Legislative Assembly; the formation of a committee representing nine left-wing political parties; and the calling of a joint Korean-American conference to make a comprehensive study of recent riots.

¹12 *Federal Register* 43.

Activities of Dissident Korean Groups

STATEMENT BY LIEUTENANT GENERAL HODGE

In making available the following text of a recent public statement by Lt. Gen. John R. Hodge, Commanding General of the United States forces in Korea, the Department desires to emphasize this Government's concern in regard to the activities of dissident Korean groups which cannot but militate against the efforts of those Koreans who are earnestly desirous of attaining a united and independent government for their country.

Text of General Hodge's statement, made in Seoul, Korea, on January 16, 1947

It has come to my attention that there are extensive plans under way by certain Korean groups to instigate wide-spread demonstrations in South Korea against the Moscow decision, against the so-called trusteeship, coupled with attempts to discredit the American effort in Korea. This appears to be tied in with ill-advised propaganda that if South Korea is given a separate government it can itself unite all of Korea and solve all the international problems without outside help.

I wish to point out to all Koreans the following facts:

1. Korea was freed from Japanese rule by the lives, blood, and power of the Allied powers. These Allied powers have pledged Korean independence.

2. Negotiations are now under way to reconvene the joint U. S. - Soviet Commission to establish a Korean provisional government in accordance with solemn international agreement.¹ There is no change in the American stand for freedom of expression by the Korean people in the formation of their government.

3. Through internal dissension and ill-advised political activity on the part of several Koreans

who disregarded international aspects during sessions of the joint commission last spring, the establishment of a Korean provisional government has already been delayed several months.

4. Public opinion abroad, among those Allied powers interested in Korean independence, is building up favorably to the Korean cause and is accompanied by a desire to see prompt action for progress toward independence.

5. The United States Government has publicly and repeatedly pledged the independence of Korea and is making every effort to bring that about.

6. The Americans are well aware of and deeply concerned over the delay of progress toward Korean independence and are making renewed efforts to speed it up. We need no demonstrations and disorders to prove that Koreans want independence.

7. Any precipitate action on the part of ill-advised groups in South Korea can only operate to alienate the good-will of the nations most interested in your cause and may convince them that Korea is not ready for independence because her people will not cooperate with the machinery now set up to provide for it.

I, as well as the people of the United States, whose interest in Korea is increasing, would regret extremely any outward demonstrations and actions by the good Korean people which would injure their chances of independence. I shall do everything I can to prevent any misunderstanding, but I remind the Korean people that disorders, violence, and false propaganda within your nation can only cause the nation pledging your independence to distrust your motives and bring serious injury to your national aspirations.

In addition, ill-advised actions by Korean groups may operate against the interest of Korea in future international conferences.

¹ BULLETIN of Jan. 19, 1947, p. 128, and Jan. 26, 1947, p. 168.

Control of Documents Removed From German Diplomatic Establishments in U. S.¹

By virtue of the authority vested in me by Executive Order 9760 dated July 23, 1946 (11 F. R. 7999),² and pursuant to law, the undersigned, after appropriate investigation and consultation, finding:

(1) That members of the staffs of former German diplomatic and consular establishments in the United States had included within the baggage, personal effects and household goods stored in various warehouses in the United States, to which the Secretary of State had made reference in a General Supervisory Order (Public Notice 170, issued July 25, 1946), books, documents, papers, photographs, maps, films, ledgers, files, and various other items believed to contain information concerning German activities in the United States, together with radios and other equipment believed to have been used to facilitate communications concerning German activities in the United States;

(2) That under the provisions of law and for the security and safety of the United States in

wartime it was deemed advisable to remove all such books, documents, papers, photographs, maps, films, radios, and other pertinent materials for investigation and study by appropriate agencies of this Government;

(3) That it is necessary in the interest of national security,

hereby undertakes the direction, management, supervision, maintenance, and control, to the extent deemed necessary and advisable from time to time by the undersigned, of the property referred to above.

The action taken herein shall not be construed to limit the power of the Secretary of State to vary the extent of such direction, management, supervision, maintenance, or control, or to terminate the same.

Issued this 14th day of January 1947.

JAMES F. BYRNES,
Secretary of State.

Project on Publication of German War Documents³

The Department of State and the British Foreign Office have agreed that the publication of German Foreign Office records and other related documents in their possession shall be entrusted to eminent historical scholars. The scholars have been granted free access to the German archives and will select for publication all documents which, in their judgment, are essential to an understanding of German foreign policy before and during World War II.

These records are now in joint Anglo-American custody in Berlin, where for over a year a team of specialists has been microfilming the more important documents. The British and American Governments are now taking the unprecedented step of making these documents available to historians of high reputation and have asked that they be

guided in their task of preparing the material for publication solely by considerations of scholarship.

The British editor, John W. Wheeler-Bennett of Oxford University, and the American editor, Raymond J. Sontag of the University of California, met in Berlin during December and agreed upon a tentative schedule of publication, concentrating first on the volumes covering the years 1937-1941. The editors-in-chief will be assisted by other historians, some of whom will make the preliminary selection in Berlin; others will assist in the task of preparing the material for publication. The volumes will be published first in the original German.

¹ 12 *Federal Register* 402.

² *BULLETIN* of Aug. 4, 1946, p. 237.

³ Released to the press simultaneously in London and Washington on Jan. 22, 1947.

Grain Shipments for Relief to Italy

[Released to the press by the White House January 25]

Text of letter from the President to Enrico de Nicola, Provisional President of the Italian Republic, Rome

January 20, 1947

MY DEAR MR. PRESIDENT:

Upon the occasion of the departure from the United States of Prime Minister De Gasperi, I should like to reassure you, Mr. President, that the United States Government is constantly mindful of the economic difficulties with which the Italian Government is faced and that sincere efforts are being made by our officials to find means to alleviate your country's most urgent needs.

Signor De Gasperi's recent visit in Washington has afforded us a most pleasurable opportunity to review questions of interest to our two Governments. In particular, our officials have received a better understanding of Italy's present requirements and of the outstanding job of reconstruction which your Government and people are undertaking.

In your communication of November 26, 1946, you informed me of the grave emergency with which your Government was confronted due to difficulties in the fulfillment of the UNRRA grain program. That problem has been receiving the most urgent attention of our officials and remains under constant consideration and review. I have authorized a number of emergency measures to ensure that every possible effort shall be made to expedite the delivery of grains to the peoples of the war-torn countries of Europe and Asia. As we have informed Signor De Gasperi, shipments of wheat have been diverted from other areas to meet the immediate requirements of Italy, and we have every expectation of being able to increase scheduled shipments of wheat to Italy beginning next month. Your Prime Minister will inform you of the other measures discussed with him which we fully anticipate will prove mutually beneficial to our two countries.

The American people have many close bonds with the Italian people and it is our sincere desire, in a spirit of fraternal cooperation, to do what we can to assist your country in its efforts to

¹ Not printed.

rebuild and strengthen a peaceful, prosperous and democratic Italy.

Very sincerely yours,

HARRY S. TRUMAN

Request for Extradition of Former Soviet Trade Representative Denied

[Released to the press January 21]

Text of a communication handed by Llewellyn E. Thompson, Jr., Chief of the Division of Eastern European Affairs, to Vassili A. Tarassenko, Counselor of the Soviet Embassy at Washington, on January 20, 1947

The Secretary of State refers to an *aide-memoire* concerning the former employee of the Soviet Trade Representative in Mexico, Mr. Kirill Alekseev, which was handed to Mr. Hickerson, Acting Director of the Office of European Affairs, by Mr. Fedor T. Orekhov, Counselor of the Embassy of the Union of Soviet Socialist Republics, on January 4, 1947.¹ The *aide-memoire* communicates a report from the Embassy of the Union of Soviet Socialist Republics in Mexico to the effect that Mr. Alekseev embezzled State funds in Mexico which resulted in his recall to the Soviet Union for the purpose of bringing him to trial and requests that if Mr. Alekseev be in the United States he be turned over to the Soviet authorities as a criminal.

The *aide-memoire* of the Embassy of the Soviet Union appears to be in the nature of a request for the extradition of Mr. Alekseev. It is a well-established principle of international law that no right to extradition exists apart from treaty. No extradition treaty exists between the United States and the Soviet Union. Moreover, the Supreme Court of the United States has stated that under the domestic law of the United States the power to provide for extradition is not confided to the Executive Branch of the Government in the absence of treaty or legislative provision and that existing legislation does not confer power upon the Executive to surrender a person to a foreign government where an extradition treaty does not provide for such surrender. The Department is accordingly unable to comply with the Embassy's request that Mr. Alekseev be turned over to Soviet authorities.

DEPARTMENT OF STATE
Washington, D. C.

Extension of Inter-American Coffee Agreement¹

PRESIDENT'S LETTER OF TRANSMITTAL

THE WHITE HOUSE, January 20, 1947.

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith, in certified form, a protocol to extend for 1 year from October 1, 1946, subject to certain conditions, the inter-American coffee agreement, signed in Washington on November 28, 1940. The protocol was open for signature at the Pan American Union in Washington from September 3, 1946, until November 1, 1946, and during that period was signed for the United States of America, "subject to ratification," and for the 14 other American Republics which became parties to the inter-American coffee agreement.

REPORT OF THE SECRETARY OF STATE

DEPARTMENT OF STATE,
Washington, January 17, 1947.

THE PRESIDENT,

The White House:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a certified copy of a protocol to extend for 1 year from October 1, 1946, subject to certain conditions, the inter-American coffee agreement, signed in Washington on November 28, 1940. The protocol, in accordance with the provisions of article 4 thereof, was open for signature at the Pan American Union in Washington from September 3, 1946, until November 1, 1946, and during that period was signed for the United States of America, "subject to ratification," and for the 14 other American Republics which became parties to the inter-American coffee agreement.

The protocol retains the framework of the inter-American coffee agreement for a 1-year period but suspends the provisions of articles I to VIII, inclusive, of that agreement, which relate to coffee quotas, with the exception that under emergency conditions such articles of the agreement shall again become effective upon a motion approved by at least 95 percent of the total vote of the Inter-American Coffee Board.

I transmit also, for the information of the Senate, a report on the protocol made to me by the Secretary of State.

In view of the fact that the previous extension of the agreement expired on October 1, 1946, and inasmuch as the present protocol will extend the agreement for only 1 year from that date, I should be grateful for early consideration of the protocol by the Senate.

HARRY S. TRUMAN

(Enclosures: (1) Report of the Secretary of State; (2) protocol extending the inter-American coffee agreement—certified copies in the English, Spanish, Portuguese, and French languages.²)

Article 3 of the protocol provides that the Inter-American Coffee Board shall undertake to complete by March 31, 1947, a thorough analysis of the world coffee situation and shall formulate recommendations for the consideration of the governments now participating in the agreement and of other governments that might be interested in participating in a revised agreement regarding the type of international cooperation that appears most likely to contribute to the development of sound, prosperous conditions in international trade in coffee equitable for both producers and consumers.

The 1-year extension provided for by the protocol has been recommended by an interdepartmental committee consisting of representatives of the interested agencies of the United States Government, and that recommendation approved by the Executive Committee on Economic Foreign Policy. The domestic coffee trade has indicated that it considers the extension of the agreement for 1 year under the terms set forth in the protocol to be a desirable measure.

Information on the background and purposes of the coffee agreement is set forth in the report of January 8, 1941, by the Secretary of State to the President (S. Exec. A, 77th Cong., 1st sess.).

¹ S. Exec. B, 80th Cong., 1st sess.

² Protocol not printed.

Advice and consent to ratification of the coffee agreement was given by the Senate on February 3, 1941. This agreement was ratified by the President on February 12, 1941, and the instrument of ratification by the United States deposited with the Pan American Union on April 14, 1941. On April 15, 1941, a protocol was signed at Washington, bringing the agreement into force on April 16, 1941, among the governments which had at that time deposited ratifications or approvals of the agreement. The Congress of the United States, by joint resolution approved April 11, 1941, provided for the carrying out of the obligations of the United States under the agreement on and after the entry into force of the agreement and during the continuation in force of the obligations of the United States thereunder (55 Stat. 133).

The agreement, which was to expire on October 1, 1943, was twice extended without modification for 1-year periods by unanimous approval of the signatory countries. That action was taken pursuant to the provisions of article XXIV of the agreement, which authorize the continuation of the agreement upon acceptance by all participating governments of a recommendation by the Inter-American Coffee Board that the duration of the agreement be extended. By a protocol open for signature at the Pan American Union from September 1, 1945, until November 1, 1945, the agreement was extended, with certain modifications, for a further 1-year period from October 1, 1945. Those extensions also were approved by the domestic coffee trade.

Inasmuch as the previous extension of the agreement expired on October 1, 1946, and in view of the fact that the present protocol will extend the agreement for only 1 year from that date, the Department of State recommends its early approval by the Government of the United States of America.

Respectfully submitted.

JAMES F. BYRNES

(Enclosure: Protocol extending the inter-American coffee agreement—certified copy in the English, Spanish, Portuguese, and French languages.¹)

¹ Not printed.

² For text of agreement, see Department of State press release 56 of Jan. 23, 1947.

Remains of Late Pedro Leao Velloso To Be Transported to Brazil

[Released to the press January 23]

The Brazilian Ambassador has been informed of the desire of the United States Government to convey to Brazil in a U.S. military plane the remains of Ambassador Pedro Leão Velloso as a special honor in recognition of Mr. Velloso's great friendship for the United States and his invaluable cooperation in the war effort during the time he was Secretary General of the Foreign Office and later Minister of Foreign Affairs of Brazil. Mr. Velloso was, at the time of his death in New York on January 16, the representative of his country to the United Nations and a member of the United Nations Security Council.

Argentine Decree Eliminates Enemy Control of Firms

[Released to the press January 25]

This Government has learned of the promulgation of a decree by the Government of Argentina eliminating enemy ownership and control of a large number of enemy spearhead firms. This is an important step and comes as a welcome addition to the measures already taken in respect of Nazi educational and other institutions.

Consultations are continuing with the Government of Argentina in respect of enemy agents.

Air-Transport Agreement With Ecuador²

The Department of State announced on January 23 the conclusion of a bilateral air-transport agreement between the Government of the United States and the Government of the Republic of Ecuador, signed in Quito on January 8, 1947. The agreement was signed for the United States by Ambassador Robert McGregor Scotten and for the Republic of Ecuador by the Acting Minister of Foreign Affairs, Enrique Arízaga Toral. The American Ambassador was assisted in the negotiations by John O. Bell, Assistant Chief, Aviation Division, Department of State.

Department of State Bulletin

Stanley Tylman To Lecture in Bolivia in Dentistry

Dr. Stanley Daniel Tylman, professor of prosthetic dentistry in the College of Dentistry, University of Illinois, Chicago, has received a grant-in-aid from the Department to enable him to lecture in the field of dentistry before various dental groups in Bolivia.

Dr. Tylman left on January 3, 1947 for Bolivia, where he will remain approximately four months. He plans to deliver lectures and hold clinics in various other American republics prior to returning to the United States.

John E. Peurifoy Appointed Deputy Assistant Secretary of State for Administration

The Secretary of State announced on January 23 the appointment of John E. Peurifoy as Deputy Assistant Secretary of State for administration with authority to act as such Assistant Secretary of State.

Since March 1946 Mr. Peurifoy has served as Special Assistant to Under Secretary of State Dean Acheson. He previously served as Deputy Director, Office of International Information and Cultural Affairs, and Special Assistant, Office of Public Affairs, 1945-46.

UNRRA Operations: Ninth Quarterly Report¹

PRESIDENT'S LETTER OF TRANSMITTAL

To the Congress of the United States of America:

I am transmitting herewith the ninth quarterly report covering the operations of UNRRA and the expenditure of funds appropriated by the Congress for this purpose.

During the quarter under review the United States completed its contribution of \$2,700,000,000 to the work of UNRRA, a figure which represents 2 percent of our national income and 72 percent of the total resources of UNRRA. Estimated shipments from the United States during the quarter of 3,596,517 tons were valued at approximately \$284,915,000 and represented approximately 77 percent and 71 percent respectively of UNRRA's total shipments for the quarter. Through the quarter under review total UNRRA shipments were approximately 16,723,342 tons valued at approximately \$2,045,035,000, of which the United States provided 12,221,488 tons (73 percent) valued at approximately \$1,438,987,000 (70 percent).

An important matter to which I should like to call the particular attention of the Congress is that concerned with the resolutions passed at the Fifth Council Session of UNRRA in Geneva last August. The several resolutions express the views of the Council at that time with respect to the problem of fully liquidating the UNRRA organization and with the disposition of its assets.

These matters were also scheduled for further

discussion at the Sixth Council Session convened in Washington on December 10, 1946.

The United Nations are actively discussing the care of displaced persons after UNRRA ceases its operations. Further discussion by the United Nations is concerned with the problem of post-UNRRA relief in 1947 for those countries which may not, even after UNRRA completes its great work, be able to take care of their own needs. UNRRA deliveries of relief and rehabilitation supplies in 1947 may well amount to \$750,000,000 and it is therefore unlikely that more than a few of the liberated areas will require further free assistance. The proposal of the State Department is that the spot problems of urgent relief needs in 1947 be met by each supplying government entering into arrangements directly with those requiring assistance and that the Secretariat of the United Nations be used as a central point for exchanging and pooling information on the part of all member governments. With this approach to the problem of relief in 1947 I am in full accord.

With the next report to the Congress it will be possible to provide a clearer picture of the plans for the liquidation of UNRRA and the provision for post-UNRRA relief needs in 1947.

HARRY S. TRUMAN

THE WHITE HOUSE
December 23, 1946

¹ H. Doc. 40, 80th Cong.

"The International Control of Atomic Energy: Growth of a Policy"

[Released to the press January 16]

The Department of State released on January 16 an account of the policy of this Government on atomic energy. This publication is entitled *International Control of Atomic Energy: Growth of a Policy*¹ and was prepared in the Office of Public Affairs. It follows an earlier and more technical pamphlet, *International Control of Atomic Energy: Scientific Information Transmitted to the United Nations Atomic Energy Commission, June 14, 1946 - October 14, 1946*,² which was compiled in the Office of the United States Representative on the Atomic Energy Commission.

The first section of the book is a narrative record of official declarations and proposals relating to the international control of atomic energy made between August 6, 1945, the historic day on which Hiroshima was bombed, and October 15, 1946, when Committee No. 2 of the United Nations Atomic Energy Commission, charged with drawing up specific recommendations on measures of control, and having unanimously adopted the report of the Scientific and Technical Committee, began a new phase of informal discussions. There is a wealth of material here, woven together in such a way as to reveal the gradual working out of the United States position. There are excerpts from Presidential statements, reports of the Secretary of War's Committee, findings of the Special Senate Committee, the Acheson-Lilienthal report, and the three United States memoranda to the United Nations Commission.

The second section of the book is a series of 24 appendixes presenting the complete documentary evidence upon which the narrative record is based. Following statements of such official spokesmen as President Truman, Secretary of State Byrnes, Secretary of War Patterson, Senator Connally, Mr. Baruch, and Mr. Hancock are the texts of three important memoranda, statements from the records of the meetings of the Atomic Energy Commission, Mr. Gromyko's proposals to the Commission, and the summary records of Committee No. 2.

Particularly significant is the last appendix, the

¹ Department of State publication 2702.

² Department of State publication 2661.

full report of the Scientific and Technical Committee of the United Nations Atomic Energy Commission on the scientific and technical aspects of the control of atomic energy, unanimously adopted on September 26, 1946, by representatives of the 12 countries on the Atomic Energy Commission.

The pamphlet will be sold by the Superintendent of Documents, Washington 25, D. C., for 45 cents a copy, with a 25 percent discount to purchasers of 100 copies or more.

U. S. - Canadian Discussions on Water Resources

[Released to the press January 22]

A meeting was held in Washington on January 20 and 21 for the purpose of enabling technical representatives of the United States and Canadian Governments to conduct preliminary discussions of the advisability of a joint investigation, to be conducted by engineers on both sides of the border looking toward the most advantageous employment of the water resources of the two countries in the general areas along the boundary between the Continental Divide on the west and the Red River of the North on the east.

The meeting adjourned in order to permit further study by the appropriate authorities in the two countries.

Radio Broadcast on "Keeping the Record Straight on America Overseas"

On January 25 William T. Stone, Director of the Office of International Information and Cultural Affairs, Frank R. Shea, Chief of the United States Information Service in Bucharest, and Maurice S. Rice, Chief of the Eastern European Branch, OIC, discussed with Sterling Fisher, director of the NBC University of the Air, the subject of dissemination of information about the United States abroad. This program was one in a series entitled "Our Foreign Policy" presented by the NBC University of the Air. For a complete text of the program, see Department of State press release 62 of January 25, 1947.

Tour of New Zealand Botany and Zoology Students

[Released to the press January 25]

A group of 12 New Zealand students is expected to arrive at Norfolk, Virginia, on January 25 aboard the *Port Hobart* to begin a tour of universities in the United States and Canada. These students have specialized in botany and zoology—are graduate students, 5 undergraduates—and are particularly interested in inspecting laboratory equipment and teaching methods used in American universities in these two fields of study. Among the cities included in their present itinerary are Washington, New York, Boston, Detroit, Chicago, and Seattle; tentative arrangements provide for visits to the University of Maryland, Columbia University, Vassar College, the Marine Biological Research Laboratory at Woods Hole, Massachusetts, Wellesley College, Tufts College, Harvard University, the University of Chicago, and the University of Washington.

The tour is sponsored by the Victoria University College Biological Society, and the New Zealand Legation is assisting in arranging for travel and accommodations. The Institute of International Education in cooperation with the English Speaking Union is completing arrangements with the various universities and institutes that will be visited. The services of the Department have been made available to facilitate the progress of the tour where possible.

This visit constitutes the first New Zealand cultural project of this sort involving the United States. It is expected that cultural interchange with New Zealand will assume increasing importance in the future, particularly as agreements are effected between the two Governments for implementing the provisions of Public Law 584 (the Fulbright Act).

Erratum

In the BULLETIN of January 5, 1947, p. 24, under the article entitled "Venezuela Signs Articles of Agreement of International Fund and International Bank," the date of the signing by Venezuela of the Articles of Agreement was erroneously given as December 3. The correct date is December 30, 1946.

Effect on Aliens Seeking Entrance to U.S. of Proclamation of Cessation of Hostilities

[Released to the press January 24]

The President's proclamation no. 2714 of December 31, 1946 proclaiming "the cessation of hostilities of World War II, effective twelve o'clock noon, December 31, 1946"¹ affects certain aliens seeking to enter the United States under the act of December 28, 1945, which was passed by Congress to expedite the admission into the United States of alien spouses and alien minor children of United States citizen members of the United States armed forces. The proclamation also affects aliens seeking to come to the United States under the act of June 29, 1946, which was enacted by Congress to facilitate the admission into the United States of the alien fiancées and fiancés of United States citizen members of the armed forces of the United States.

The spouses, children, fiancées, and fiancés of citizens of the United States will, provided the citizens served in the armed forces of this country within the period commencing with the date specified in the respective act and ending at 12 o'clock noon December 31, 1946, still be eligible for the benefits conferred by the acts of Congress above-mentioned.

The alien spouse, child, fiancée, or fiancé of a citizen of the United States, if such citizen was inducted into the armed forces of this country subsequent to noon of December 31, 1946, would not be entitled to the benefits conferred by either of the above-mentioned acts.

Since the act of June 29, 1946 (Fiancée's Act) authorizes the admission "on or before July 1, 1947," as non-immigrant, temporary visitors, of alien fiancées and fiancés chargeable to oversubscribed quotas, the Department of State has instructed all diplomatic and consular officers to take appropriate steps to facilitate the issuance of visas to all qualified applicants under this act to permit their arrival in the United States on or before July 1, 1947.

¹ BULLETIN of Jan. 12, 1947, p. 77.

Railway-Mounted Power Train Leased to Mexico

[Released to the press on January 17]

In order to remedy a serious electric-power shortage in the Guanajuato region of Mexico, the Government of the United States has agreed to lease to the Mexican Government, at the latter's urgent request, a 10,000 kilowatt railway-mounted electric-power generator, the Department of State announced on January 17. The transaction was authorized by a presidential directive to the Secretary of the Navy dated January 3, 1947, and was made effective by an agreement dated January 17, 1947 between the Department of State and the Chargé d'Affaires of Mexico in Washington.

The power shortage in the Guanajuato district in central Mexico has been causing such serious curtailments in textile and other essential industries of the region, as well as in irrigation used in the production of basic food crops, that the administration of President Miguel Alemán, which took office on December 1, 1946, immediately requested the American Ambassador in Mexico City to urge early assistance from the Government of the United States. The Mexican Government pointed out that the shortage was caused by unusually small rainfall which has drastically reduced hydroelectric power production and by the inability of American manufacturers, with whom Mexican orders for steam electric generators have been on order for more than a year, to make delivery before 1948 because of a heavy backlog of orders. The emergency situation in Mexico was made more acute by the deterioration through excessive use of power-generating plants during the war period when all of the country's production facilities were strained to the utmost.

In the final act of the Chapultepec conference, which met on February 21, 1945, the nations of this hemisphere that produce machinery and other manufactured goods committed themselves to give all possible assistance to the other American republics in their efforts to renew their industrial equipment which had been worn out through intensive operation in connection with the war effort. This idea of mutual assistance was the guiding principle of the negotiation between the two Governments which terminated with the leasing

of the power train to Mexico. In President Truman's directive, reference is made to the final act of the Chapultepec conference.

The resulting agreement between the two Governments provides that the train, one of the which the Navy Department acquired early in the war to meet possible emergency defense situations in the United States, may proceed immediately to Salamanca, Mexico, where its output will be channeled into the Guanajuato system which provides power for several important manufacturing centers, for extensive irrigation, and for domestic services in the States of Guanajuato, San Luis Potosí, and Querétaro. Five Navy Department civilian technicians will accompany the train to supervise its installation and operation at Salamanca and to instruct Mexican power technicians in its operation. The Mexican Government is to reimburse the United States Government for the services of these technicians and to meet other obligations which are the same as those governing the lease of the other Navy-owned train to the Salt River Water Users Association in Arizona.

The Government of Mexico has expressed its appreciation to the United States Government for the action taken which it characterizes as further proof of the cooperative spirit of the United States Government.

Members of Joint American-Philippine Financial Commission

The Department of State announced on January 16 the appointment of the two American members of the Joint American-Philippine Financial Commission: Arthur W. Stuart, Division of Monetary Research, Treasury Department; and John Exter, Division of Research and Statistics, Federal Reserve Board.

They will serve on the Commission with American Co-Chairman Edgar G. Crossman, whose appointment was announced last week.¹

The American Embassy at Manila has notified the Department that the Co-Chairman and members of the Philippine section of the Commission are:

Miguel Cuaderno, Co-Chairman, and Secretary of Finance of the Philippine Republic; Pio Pedrosa, Budget Commissioner; and Vicente Carmona, president of the Philippine National Bank.

¹ BULLETIN of Jan. 19, 1947, p. 130.

THE DEPARTMENT

THE FOREIGN SERVICE

Appointment of Officers

Charles M. Hulten as Deputy to Assistant Secretary, Office of Assistant Secretary for Public Affairs, effective December 15, 1946.

G. Bernard Noble as Chief, Division of Historical Policy Research, effective December 29, 1946.

W. Park Armstrong, Jr., as Deputy to Special Assistant, Office of Special Assistant for Research and Intelligence, effective December 29, 1946.

THE CONGRESS

Twenty-Third Report to Congress on Lend-Lease Operations: Message from the President of the United States transmitting the twenty-third report of operations under the Lend-Lease Act. H. Doc. 41, 80th Cong. 76 pp.

Eighth Report to Congress on Operations of UNRRA: Message from the President of the United States transmitting the eighth quarterly report covering the operations of UNRRA and expenditure of funds appropriated by the Congress on a cumulative basis as of June 30, 1946. H. Doc. 39, 80th Cong. 68 pp.

Ninth Report to Congress on Operations of UNRRA: Message from the President of the United States transmitting the ninth quarterly report covering the operations of UNRRA and the expenditure of funds appropriated by the Congress for this purpose. H. Doc. 40, 80th Cong. 72 pp.

Report with Respect to United States Participation in World Bank: Message from the President of the United States transmitting report by the National Advisory Council on International Monetary and Financial Problems with Respect to the participation of the United States in the International Bank for Reconstruction and Development and in the International Monetary Fund Oct. 31, 1946. H. Doc. 53, 80th Cong. 10 pp.

Foreign Commerce Weekly

The following article of interest to BULLETIN readers appeared in the January 11, 1947 issue of *Foreign Commerce Weekly*, a publication of the Department of Commerce, copies of which may be obtained from the Superintendent of Documents, Government Printing Office, for 15 cents each:

"Cuba's Poultry and Eggs: Trade Shows Sharp Shifts", based on a report from the American Embassy in Habana.

Confirmations

On January 13 the Senate confirmed the following nominations:

O. Max Gardner, to be Ambassador Extraordinary and Plenipotentiary to Great Britain.

S. Pinkney Tuck, to be Ambassador Extraordinary and Plenipotentiary to Egypt.

George Wadsworth, to be Ambassador Extraordinary and Plenipotentiary to Iraq.

Lowell C. Pinkerton, to be Envoy Extraordinary and Minister Plenipotentiary to the Republic of Lebanon.

J. Rives Childs, now Envoy Extraordinary and Minister Plenipotentiary to Saudi Arabia, to serve concurrently and without additional compensation as Envoy Extraordinary and Minister Plenipotentiary to the Kingdom of Yemen.

Consular Offices

The American Consulate at Zagreb, Yugoslavia, was opened to the public on January 6, 1947.

ANNOUNCEMENT

Official Daily Service:



• The *Federal Register* presents the only official publication of the text of Federal regulations and notices restricting or expanding commercial operations.

• All Federal agencies are required by law to submit their documents of general applicability and legal effect to the *Federal Register* for daily publication.

A sample copy and additional information on requests to the Federal Register, National Archives, Washington 25, D. C.

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SUPERINTENDENT OF DOCUMENTS

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Contributors

Martha H. Biehle, author of the article on the sixth plenary session of the Intergovernmental Committee on Refugees, is U.S. resident representative on that Committee.